# 2009 Comprehensive Annual Financial Report

For the Fiscal Year Ended September 30, 2009



### **Department of Solid Waste Management**

A Department of Miami-Dade County, Florida



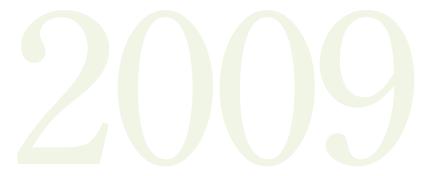
# Comprehensive Annual Financial Report

For the Fiscal Year Ended September 30, 2009

Department of Solid Waste Management A Department of Miami-Dade County, Florida

Prepared by the Accounting Division







Department of Solid Waste Management A Department of Miami-Dade County, Florida Comprehensive Annual Financial Report For the Fiscal Year Ended September 30, 2009

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# **Introductory Section**

(UNAUDITED)



Carlos Alvarez Mayor



Dennis C. Moss Chairman



José "Pepe" Diaz Vice Chairman District 12

## Board of County Commissioners



Barbara J. Jordan District 1



Dorrin D. Rolle District 2



Audrey M. Edmonson District 3



Sally A. Heyman District 4



Bruno A. Barreiro District 5



Rebeca Sosa



Carlos A. Gimenez District 7



Katy Sorenson District 8



Sen. Javier D. Souto District 10



Joe A. Martinez District 11



Natacha Seijas District 13



George M. Burgess County Manager



Harvey Ruvin Clerk of Courts



Robert A. Cuevas, Jr. County Attorney



Pedro J. Garcia Property Appraiser



Solid Waste Management 2525 NW 62nd Street • 5th Floor Miami, Florida 33147 T 305-514-6666

miamidade.gov

March 29, 2010

The Honorable Carlos Alvarez, Mayor

The Honorable Chairperson and Members Board of County Commissioners

Mr. George M. Burgess County Manager

Mr. Harvey Ruvin, Clerk Board of County Commissioners Miami-Dade County, Florida

#### Ladies and Gentlemen:

The Comprehensive Annual Financial Report (the "Report") from the Department of Solid Waste Management (the "Department"/"DSWM") for the fiscal year ended September 30, 2009 is hereby submitted. This report is published in accordance with Florida Statutes and the resolution covering the issuance of indebtedness by the Department. Pursuant to those requirements, we have issued this Report of the Department presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America (GAAS) by a firm of licensed certified public accountants.

This Report consists of Management's representations concerning the finances of the Department. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this Report. To provide a reasonable basis for making these representations, the Department's management has established a comprehensive internal control framework that is designed both to protect the Department's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the Department's financial statements in conformity with GAAP. Because the cost of internal controls should not exceed their benefits, the Department's comprehensive framework of internal controls has been designed

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to provide reasonable, rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Department's financial statements have been audited by KPMG LLP, Certified Public Accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Department for the fiscal year ended September 30, 2009, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the Department's financial statements for the fiscal year ended September 30, 2009, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this Report.

This letter of transmittal is designed to complement the Management's Discussion and Analysis (MD&A) and should be read in conjunction with it. The Department's MD&A can be found immediately following the report of the independent auditors in the Financial Section.

### Profile Of The Department Of Solid Waste Management

#### The Department

In January 1989, the Board passed Administrative Order 9-1 creating the Metropolitan Dade County Department of Solid Waste Management (now the Miami-Dade County Department of Solid Waste Management), by merging the Department of Solid Waste Collection and the Solid Waste Disposal Division of the Public Works Department into a single agency. The Department of Solid Waste Management's

principal responsibilities may be categorized as: (1) collection, (2) transfer, (3) disposal and (4) recycling of municipal solid waste.

The Department primarily provides solid waste services to single-family residential units (including certain multi-family units such as duplexes) and a small number of commercial and multi-family accounts in the unincorporated portions of the County. The Department has entered into long-term interlocal agreements with 18 of the 35 municipalities to provide solid waste disposal services and 11 municipalities for curbside recycling. It also provides solid waste collection services to the City of Aventura, the City of Doral, the City of Miami Gardens, the City of Sunny Isles Beach, the City of Sweet Water, the Town of Cutler Bay, the Town of Miami Lakes, the Village of Palmetto Bay and the Village of Pinecrest.

The Department is responsible for the operation of a variety of facilities, including Resources Recovery (waste-to-energy facility), landfills, transfer stations and neighborhood Trash & Recycling Centers. The Department is also responsible for meeting the State's countywide environmental compliance objectives, such as the State's 30% waste reduction goal, which is achieved primarily through recycling.

#### **The System**

The System comprises: (a) all property, real and personal now or in the future owned, leased (as lessor or lessee), operated or used by the County in providing the services of collecting, transferring, disposing and recycling of solid waste. This property includes the County's solid waste collection, transfer, disposal and recycling facilities and all improvements, including all buildings, fixtures, equipment, and (b) contracts entered into by the County for the collection, transfer, disposal and recycling of solid waste.

The System does not include, at the option of the County, any solid waste system facility or equipment which may be acquired by the County subsequent to the date of the Original Ordinance and designated by the County as a "Separate System" on or prior to the date of acquisition.

# The Department's Disposal and Collection Activities

Financial information for the disposal and collection activities is included in this report under Supplementary Financial Information. Because the Solid Waste System includes all properties, operations and obligations of the Department, the Management's Discussion and Analysis is presented for the System as a whole.

### Operations, Facilities and Regulatory Responsibilities

#### **Operations**

The residential garbage collection program provides twice-weekly garbage collection for residential units in unincorporated Miami-Dade County, the City of Sweetwater under an interlocal agreement, the City of Doral, the City of Miami Gardens, the City of Sunny Isles Beach, the Town of Cutler Bay, the Town of Miami Lakes, the Village of Palmetto Bay and the Village of Pinecrest (all these pursuant to Ordinance No. 96-30), and the City of Aventura. Commercial and multifamily residential establishments may contract with the Department for collection services; the multi-family curbside garbage service provides for twice-per-week garbage collection.

The Department provides two types of residential container service: "automated residential container service". The automated residential container service provides containerized set-out utilizing a county provided container. The residential customer may purchase additional containers or request smaller containers for their use. All materials must be placed inside the containers and the lids must be closed in order to be serviced by the automated garbage collection vehicle. The manual residential container service provides uncontainerized set-out of bags or containers of waste and bundled tree limbs (four (4) feet in length or under; no single item over 50 pounds).

The Department's residential service also includes access to any of the 13 trash and recycling centers ("T&R Centers") located throughout the unincorporated portion of the County. On an annual basis, residents can

also request two bulky waste pickups of up to 25 cubic yards each or one combined pick-up of 50 cubic yards. Curbside collection of bulky waste for commercial accounts is also available for an additional fee.

The Department of Solid Waste Management's conversion of the residential recycling collection program from a weekly dual-stream program to an every-otherweek single-stream service started in May of 2008 and was fully implemented by January 2009. Single-stream recycling is accomplished by allowing residents to place all recyclable materials (both fiber and rigid containers) in one wheeled cart. This activity reflects the costs of the recycling program including the cost of recycling carts acquired during fiscal year 2009 and other costs such as collection (payment to contractors), processing, promotion and administration. This program serves more than 340,000 households which include the unincorporated area, the 9 cities in the Waste Collection Service Area and 11 municipalities (serviced through interlocal agreements).

There are two types of commercial collection services: "commercial minimum collection service" and "commercial container service". The commercial minimum collection service provides for twice per week service, limited to two (2) garbage cans or plastic bags per collection, per waste unit charged. The commercial container service provides for uncompacted rollaway container service with a varying number of pickups and container sizes.

The Department is responsible for operation and management of the County-owned solid waste disposal facilities with the exception of the Resources Recovery Facility, which is operated under a long-term agreement with Montenay-Dade, Ltd. ("Montenay"), a subsidiary of Veolia ES Waste-to-Energy, Inc. (formerly known as Montenay Power Corporation). See Notes 13 and 16 to the financial statements.

A portion of the solid waste generated in the County is delivered to the County's transfer stations by the Department, municipal, and private collection vehicles, where it is reloaded into large transfer trailers for transportation to one of the County's three disposal sites or contracted private disposal facilities. The transfer stations were designed to serve several purposes within the overall System.

These include the following:

- Reduce travel distance and transport time for waste collection vehicles.
- Reduce waiting time and traffic congestion at the Department's disposal facilities.
- Allow for system operating flexibility by providing shortterm storage capacity for solid waste prior to disposal.
- Enable the Department to comply with its various waste delivery obligations without directing municipal or private haulers to specific disposal facilities.

The DSWM Enforcement Division is responsible for enforcing Chapter 15 of the Miami-Dade County Code, which encompasses Residential, Facilities, Permit, and Commercial Recycling Enforcement, and supporting Administrative functions. The Code provides DSWM the authority to regulate and issue citations in accordance with Chapter 8CC of the Code. Chapter 8CC governs the fee and fine schedules regarding matters of illegal dumping and other aspects of solid waste collection and disposal.

During fiscal year 2009, a Universal Code Enforcement Officer approach was implemented to enforce Chapter 15 throughout Miami-Dade County. The new approach requires all Waste Enforcement Officers to enforce all violations in Chapter 15 as part of their daily task. The work is subdivided into 39 zones and distributed throughout, resulting in greater coverage and cross-training of the Code.

Residential Enforcement responsibilities include proactive enforcement and investigation of trash issues on the right-of-way. During fiscal year 2009, the Division continued with Operation Vacuum Clean-ups (OVC's) a community partnership that encourages absentee property owners to maintain their properties on a consistent basis. The officers also completed several commercial enforcement sweeps issuing warning notices of violations for uncontainerized waste, insufficient waste service or no waste service violations.

The DSWM continues to develop community-oriented initiatives that address illegal dumping. Timely reporting of illegally dumped debris by property owners prior to any enforcement actions results in the property owners not being held responsible for the cost of the debris removal and ensures that the investigative process is addressed in a timely manner.

The Enforcement Division continues to work cooperatively with other enforcement agencies within Miami-Dade County by regularly conducting code enforcement sweeps with Miami-Dade Police Department's Illegal Dumping Section (IDIS), Office of Neighborhood Compliance, Department of Environmental Resources Management (DERM), the Health Department and others. The Enforcement Officers work closely with IDIS to utilize convicted illegal dumpers to clear litter and debris from some of the County's illegal dumping areas, known as "hot spots". The Enforcement Division is committed to developing and creating best practices, increase public awareness, review and update codes, and implement recommendations to thwart this negative behavior.

Facilities Enforcement encompasses enforcement of the three main disposal facilities (North Dade Landfill, South Dade Landfill and Resources Recovery). The officers work closely with the Department's Environmental Compliance Division, the Health Department, other regulatory and enforcement agencies and others to ensure all vehicles using the facilities have the required operating permits and the debris for disposal is acceptable. They also monitor the perimeter of these facilities to investigate any acts of illegal dumping.

Permit Enforcement became part of the Enforcement Division in 2006. This type of enforcement ensures that haulers, tire generators, and landscapers have the required operating permits and licenses.

Commercial recycling became mandatory countywide in July 1992. The County Ordinance requires property owners and owners/operators of commercial establishments and multifamily residents in incorporated and unincorporated Miami-Dade County to provide a standard or modified recycling program. This method



is the industry standard in counties with similar characteristics and demographics. Last year, this task was conducted by seven officers, but with the Universal Officer concept all officers enforce this mandate.

Administration in the Enforcement Division is a support function, responsible for timely processing of all paperwork generated by each Enforcement Officer's daily fieldwork as they address enforcement issues. Administrative staff is also responsible for lien processing and responding to constituents requests.

Commercial outreach continues to address litter and insufficient garbage service and overflowing dumpsters by continuing to visit businesses distributing brochures concerning litter. Enforcement of solid waste violations such as illegal dumping, unscheduled trash on the right-of-way, debris in front of residences, and vacant lots are addressed per Chapter 15. To ensure illegal dumping cases and any other complaints are handled in an efficient and effective way, all constituents call 311. The Enforcement Division is instrumental in providing public information to constituents by continuing to conduct presentations to the community and other county departments regarding DSWM.

The Enforcement Division plays a significant role in the recovery efforts of hurricanes, tornadoes, or any other significant occurrences. During hurricane recovery, officers and administrative staff are assigned many different duties, which include but are not limited to training of monitors, hurricane debris identification, monitoring and follow-up of areas to be cleaned, supervising private contractors and hauling monitors, measuring truck capacity, data entry of vouchers information and responding to all complaints received by the Enforcement Division. The Division is versed and experienced in working with FEMA to ensure that Federal procedures and directives are adhered to in accordance with stated guidelines.

The presence of Universal Enforcement Officers in and around the neighborhoods and at our facilities continues to play a significant role and have a positive impact on the aesthetics of the communities.

The Department is committed to pursuing allowable, cost-effective programs and activities that have positive environmental impacts. A key component to the system is the Resources Recovery Facility (RRF) which provides safe, environmentally sound management of garbage and trash through production of electricity and recovery of recyclable ferrous and non-ferrous metals.

In previous fiscal years, the plant's operator, Montenay-Dade, Ltd. ("MPC/Montenay"), a subsidiary of Veolia ES Waste-to-Energy, Inc. (VES), formerly known as Montenay Power Corporation, had received Warning Letters for alleged violations of environmental air permit conditions. These issues had been resolved in previous fiscal years with the exception of one. Due to the complexity of such issues and the administrative process necessary to resolve them, it is not unusual for items to be carried over from previous years. One last remaining enforcement action regarding carbon feeding rates associated with the Air Quality Controls Systems (AQCS) that had been pending resolution for a few years was closed during fiscal year 2009. Briefly, in fiscal year 2006, VES discovered and self-reported to the Florida Department of Environmental Protection (FDEP) irregularities in administering and reporting the carbon feed rate to the AQCS for the period of 2003 through 2006. VES had paid \$5,750 in administrative fees in fiscal year 2008 and offered at that time to settle the proposed civil penalties via implementation of an in-kind project in lieu of payment of \$485,322. FDEP did not accept the proposed in-kind project and suggested a different project. VES did not accept the alternate proposed by FDEP and proposed a second in kind project, which FDEP also rejected. Consequently, VES paid the monetary penalties on February 25, 2009 to close the matter.

During fiscal year 2009, there were no incidents resulting in enforcement actions by FDEP or other environmental regulatory agencies having jurisdiction over the Resource Recovery Facility's operations. However, on December 22, 2008 a notice of non-compliance related to downtime for #2 Boiler's opacity monitor was received. A response was issued to FDEP on January 8, 2009 by VES detailing the corrective actions taken. No further communication has been received from FDEP and this item is believed to be resolved without enforcement.

With respect to other Department facilities, no incidents resulting in enforcement actions by FDEP or other environmental regulatory agencies having jurisdiction occurred during fiscal year 2009. The Department of Solid Waste Management (DSWM) did, however, receive a letter on August 11, 2009 inquiring about the status of South Dade Landfill Well cluster S-6. This well cluster was inaccessible during 2008 and FDEP advised DSWM that the item was considered to be "Significantly Out of Compliance" and could result in enforcement action. DSWM advised FDEP on August 29, 2009 that the access issue was resolved. No further communication was received from FDEP regarding the matter.

Lastly, during fiscal year 2009, DSWM resolved two enforcement issues that had resulted from the effects of Hurricane Katrina and Wilma. On September 29, 2006, FDEP issued two Warning Letters (WL06-0044AV13SED and WL06-0041AV13SED) concerning operation of the Landfill Gas (LFG) Systems at North and South Dade Landfills, respectively. The alleged violations stemmed from a revised interpretation by the United States Environmental Protection Agency (USEPA)/FDEP of their guidance for compliance with flare station downtime reporting and classification; impacts to the wellfield at North Dade, which were a consequence of disposal of large amounts of debris associated with the 2005 hurricanes; and other minor issues including a few temperature and oxygen excursions in the extractions wells and flares. On November 3, 2006, DSWM representatives and the contracted Operator of the LFG Systems met with FDEP officials and presented documentation regarding the allegations. During fiscal year 2008 DSWM met again with FDEP officials to clarify certain points. FDEP officials evaluated the originally submitted information, the additional information provided and verbal clarifications and on October 23, 2008 offered to settle the matters via two short form consent orders, one for each landfill. The FDEP proposed to settle the issues at North Dade Landfill for civil penalties of \$10,665 and an administrative fee of \$500. For settlement of alleged violations at the South Dade Landfill, FDEP proposed \$ 9,930 in civil penalties and a \$500 administrative fee. The DSWM accepted the proposed settlement and executed the Consent Orders on December 1, 2008. DSWM paid the penalties and administrative costs requested and the enforcement actions were closed by FDEP via letters dated January 7, 2009.

Significant environmental programs such as the operation of landfill gas control systems, groundwater remediation systems, groundwater monitoring, wetlands monitoring, exotics control, and maintenance of the restored coastal and freshwater wetlands associated with the South Dade Landfill, Old South Dade Landfill, 58th Street Landfill and the Resources Recovery Ashfill continued in fiscal year 2009. The groundwater remediation systems, which are operated by a contractor, achieved excellent availability with continuous operation except for minor interruptions.

The Department's waste reduction and recycling programs are designed to meet the requirements of the State of Florida's Energy, Climate Change and Economic Security Act of 2008 which established a new statewide recycling goal - reduce the disposal of recyclables by 75% by 2020. The Department continues to provide recycling programs that target all waste generators. The Department's waste reduction programs include programs for curbside recycling collection, home chemical collection, electronic recycling, and a recyclable materials procurement policy that requires all County Departments to use recycled and recyclable materials where feasible. Recycling highlights include the recycling of approximately 23,000 tons of aluminum, ferrous and non-ferrous metal recovered at the Resources Recovery Facility. In addition, dropoff programs at neighborhood Trash and Recycling Centers contributed approximately 3,200 tons. The residential curbside recycling program was fully converted from dual-stream to single-stream. Conversion spanned fiscal year 2008 and fiscal year 2009. The previous fiscal year included only three months of single-stream service and produced more than 30,000 tons of recyclables. Fiscal year 2009 saw full implementation resulting in the collection of approximately 60,000 tons of recyclable material, a 65% increase over the previous fiscal year.

The Department's Home Chemical Collection (HC2) Centers are the only permanent centers in Miami-Dade County for residents to dispose of small quantities of chemical wastes typically generated by a household. These sites are dedicated to the collection of these wastes and are operated by trained personnel from the Department's Environmental Compliance Unit. The Centers can also be operated by trained personnel from the County's current home chemical waste disposal vendor should the need arise. Materials received at the Centers are sorted according to their hazard category (flammability, toxicity, and corrosivity) and are then temporarily stored at the Centers prior to packaging, transport, and disposal by an appropriate hazardous waste disposal vendor (currently EQ Florida).

During fiscal year 2009, at the Home Chemical Collection Centers and mobile events, Miami-Dade residents safely disposed of 150,788 pounds of hazardous wastes and 325,137 pounds of latex paint. They also disposed of 21,615 gallons of used oil by means of the Used Oil Collection sites at three different Trash and Recycling Centers (Moody Drive, Golden Glades and Snapper Creek) and the two permanent HC2 Centers. Lastly, 2,140,322 pounds of electronic waste, such as CPUs, computer monitors, TVs, et cetera (collectively termed "e-waste"), were recycled through a program conducted at eight Trash and Recycling Centers, a drop off station at the City of Homestead Solid Waste Operations yard, and the permanent HC2 Centers.

The Department delivered trash to the County's Resources Recovery Facility to be converted into a marketable biomass fuel. The Recyclable Trash Improvement (RTI) plant has a capacity of 270,000 tons per year. This biomass fuel product is used to power a cogeneration facility in the City of South Bay, Florida. Since November 2001 biomass fuel has been also delivered to Ridge Energy in Auburndale, Florida. Telogia, a third customer in Telogia, Florida, had operational difficulties and it did not accept biomass deliveries in fiscal year 2009.

The annual amount of biomass fuel produced using the RTI system is contingent upon the facilities' demand for this fuel product. The Resources Recovery Facility produced approximately 87,000 tons of biomass for export during fiscal year 2009.

#### **Facilities**

<u>Disposal Facilities</u> The active elements of the solid waste disposal system are the following:

- Resources Recovery Facility owned by the County and operated under a Management Agreement with Montenay-Dade, Ltd., a subsidiary of Veolia ES Waste-to-Energy, Inc. (formerly known as Montenay Power Corporation). See Notes 13 and 16 to the financial statements.
- South Dade Landfill, a Class I garbage landfill owned and operated by the County.
- North Dade Landfill, a Class III trash-only landfill owned and operated by the County.
- Ash Landfill owned and operated by the County and located at the Resources Recovery Facility for the final disposition of ash produced by the Resources Recovery process.
- Contract disposal capacity at the Waste Management Landfill located in the Town of Medley, Florida (the "Medley Landfill") or the Central Disposal Facility located in Pompano Beach, Florida (Broward County) owned and operated by Waste Management.

Landfills The Department operates three landfills: the South Dade Landfill, the North Dade Landfill, and the Ash Landfill. The South Dade Landfill is permitted to accept garbage, trash and special wastes such as asbestos, sterile medical wastes, sewage sludge, shredded tires, pathological waste (dead animals), ash, and contaminated soil. The North Dade Landfill is permitted to accept only waste that is not expected to produce leachate which poses a threat to public health or the environment, such as trash, yard trash, shredded tires, and construction/demolition debris. The Ash Landfill, which is located at the Resources Recovery Facility, accepts the ash from this facility and some ash from the co-generation facility in the City of South Bay.

<u>Transfer Facilities.</u> The regional transfer facilities are an essential part of the County's integrated solid waste management system, increasing the efficiency of disposal of solid waste generated in the incorporated and unincorporated areas of the County.



The County operates three regional transfer stations: (1) the Northeast Transfer Station, located at 18701 N.E. 6th Avenue west of North Miami Beach; (2) the West Transfer Station, located at 2900 S.W. 72nd Avenue; and (3) the Central Transfer Station, located at 1150 N.W. 20th Street, Miami, Florida. The transfer stations are strategically located throughout the County and are referred to by location as the Northeast Transfer Station, West Transfer Station, and Central Transfer Station.

In addition to the three regional transfer stations, the Department has ongoing transfer operations at the Resources Recovery Facility, the South Dade Landfill and the North Dade Landfill for the transport of waste and waste derived by-products, such as yard trash, tires, rejects, non-processables, process unders, etc., between facilities.

#### **Regulatory Responsibilities**

In accordance with the 1985 State of Florida Growth Management Act, the Department must plan for providing a specific level of solid waste service, a process generally referred to as "concurrency." Under the 1988 State of Florida Solid Waste Management Act, as amended, and certain provisions of the Florida Administrative Code, the Department is responsible for planning to ensure that disposal needs are met in both the incorporated and the unincorporated areas of the County. The County's System, which includes County-owned solid waste disposal facilities and those operated under contract with the County for disposal, must collectively maintain a solid waste disposal capacity sufficient to accommodate waste flows committed to the System through long-term interlocal agreements or contracts with municipalities and private waste haulers, and anticipated non-committed waste flows, for a minimum of five (5) years.

The County is required by USEPA and FDEP to close and perform postclosure care for its landfills in compliance with current regulations. Along with stringent regulations for "capping" and closing landfills, postclosure care of the site is mandated for 30 years after the closure is accepted by USEPA and FDEP. Currently, the County is designing and constructing land-

fill cell closures in compliance with the FDEP closure program, which has been accepted by the USEPA, for Cells 17 and 18 of the Resources Recovery Facility Ash Monofill and Cell 3 of the South Dade Landfill. Both construction projects are slated for completion by mid fiscal year 2010. Also, during fiscal year 2009, the Department continued environmental remediation programs for its closed landfills.

#### **Budgetary Control**

In accordance with the State of Florida Statutes the County prepares, approves, adopts and executes an annual budget for such funds as may be required by law or by sound financial practices. The Board of County Commissioners approves the Department's annual budget for current expenses and capital outlays. The budgets are adopted on a basis consistent with GAAP, except no amounts are provided for depreciation, amortization and depletion. Budgets are monitored at various levels of classification details within the Department. Expenses at the fund level may not legally exceed the budgeted appropriation.

# Factors Affecting Financial Condition

#### **Local Economy**

The Miami-Dade economy experienced a downturn following the effects of the same recessionary conditions driving the national economy. This ECONOM-IC CONDITION AND OUTLOOK report outlines the status of these conditions throughout fiscal year 2009 and forecasts the area's economic outlook for fiscal year 2010.

One year ago, in the report on fiscal year 2008, it was anticipated that fiscal year 2009 would be a year of low expectations for the Miami-Dade economy with prospects of poor and appreciably lower level performances than in the previous year. It was recognized that the slump-like economic conditions of the time might be affecting Miami-Dade, mainly due to the national recession that began in December 2007. There were different opinions of economists on the depth of the recession and the assumed pace and extent of the

recovery. The latter half of the fiscal year showed signs of recovery although signals were somewhat mixed. Data from key measures on employment, such as job growth and unemployment, suggest that the economy did not rebound as expected. Job losses from the recession soared to record levels throughout the year negatively impacting consumer spending and greatly decelerating the economic recovery. At the same time, unemployment rates reached double digits and put additional braces on the recovery. Over the last fiscal year, the nation's growth in real gross domestic product (GDP) contracted at an estimated annual rate of minus 2.6 percent, in contrast to a final estimate of leveled growth in the previous year. The effects of the recession were felt throughout Miami-Dade's economy as most of the leading economic indicators closed with poor performances with the exception of home sales. Total payroll employment declined throughout the state and in Miami-Dade County, though relatively more in the former than the latter, while the unemployment rate climbed significantly higher. On the bright side, inflation was tame in 2009. Yet workers felt squeezed as their spending power sank in the face of falling wages and job losses.

A major part of Miami-Dade's economic strength comes from the two engines powering its economy, the visitor industry and national and international trade and commerce. The year-over-year increases in these two sectors were not replicated in fiscal year 2009, partly due to the slowdown in the U.S. economy. Consequently, activity levels were constrained by the ongoing national recession, displaying mostly negative results. Along with the domestic economy, there was also a significant contraction in the global economy, particularly in Europe and South America, which faced similar situations to those in the U.S. These conditions had a negative impact on the number of visitors and the volume of exports. As will be discussed below, throughout the past year the decline in the activities tied to the area's key economic drivers was an important factor in the steep job losses.

In fiscal year 2009, nonagricultural wage and salary employment (annual average) declined for the second year in a row, recording an overall loss of around 35,900 jobs, off by 3.4 percent, to put total employment at 1,020,800. The amount of job losses was far worst relative to the net loss accrued during the previous fiscal year, which recorded a total decline of 2,000 jobs, or minus two tenths of a percent. In tandem with the employment losses, the unemployment rate continued its upward trend of the past year and rose by more than three and a half percentage points, averaging 8.9 percent for the year compared to 5.3 percent in 2008. The largest job losses were in the Construction sector with 9,200 jobs lost, or an 18.1 percent decrease partly reflecting the drop off in construction work related to the development of new housing units.

In conjunction with the losses in total employment, the number of businesses fell off from the 2008 level, as they recorded a loss of almost 2,550 establishments during the 2009 fiscal year, down by 2.9 percent. Tight credit and lack of financing for new ventures, as well as the fact that in an economic downturn, recession-era businesses have tough times to survive, might explain the lower number of business establishments. At the same time, the median family income was reported at \$50,800, representing an increase of \$1,600 or 3.3 percent from prior year.

Traditionally, the real estate sector in Miami-Dade County is closely monitored and is viewed as one of the critical measures of the County's economic health. In fiscal year 2009, the real estate market closed with a mix of favorable and not so favorable results among the real estate indicators. For example, for the first time in three years, the residential portion of the market picked up an active sales pace and closed with an upward trend in sales activity, as the housing industry shows early signs toward recovery. The commercial real estate market, however, closed with sharp declines in sales activity.

During fiscal year 2009, sales of existing single-family homes increased 53.5 percent reversing the downward trend of fiscal year 2008 when they declined 33.5 percent. The same pattern prevailed for existing condominium sales; they increased 36.6 percent, evidence of a significant upward improvement from the same period in 2008. This positive performance in home sales can be

attributed to the stable or slightly falling mortgage rates. Part of this was also the result of propped up demand for housing fueled by federal tax credits and other incentives for homebuyers. While this trend may lead to the conclusion that the market is rebounding, many analysts expect housing recovery to be slow and labored from the four-year slide, as the market is still awash in excessive supply of single and multifamily housing units.

The pace of economic growth is very important to the housing market, not only because it strongly influences the demand side of the market, but also because it influences Federal Reserve policy on short-term interest rates, which, in turn, affects long-term rates such as mortgage rates. Confronted with an unprecedented economic environment characterized by the longest and arguably - the most severe recession in decades, the Federal Reserve kept its key interest rate at historical lows over the course of fiscal year 2009. This marked an aggressive rate-cutting policy for the central bank, which had used its target for the federal funds rate as the main tool to foster price stability and sustainable economic growth. The reasons behind the Fed's strategy were to not only alleviate the crippled housing market, and the credit and financial markets, but also to keep mortgage rates low. Expected lower interest rates should help the housing market to turn around. Over the fiscal year, the average home mortgage rate edged lower by about nine tenths of a percentage point from 6.35 percent to 5.41 percent. Meanwhile, the consumer price index for the Miami area remained virtually unchanged in fiscal year 2009 compared to a 5.4 points advance the year before.

The construction employment decrease was the result of an overall decline in the level of construction activities. The number of building permits for residential units was significantly down by 57.3 percent to about 1,547 units for fiscal year 2009 compared to about 3,619 units in fiscal year 2008. Similarly, residential construction expenditures fell drastically by 49.1 percent from \$435.6 million to \$221.8 million during the same period. This was, of course, primarily due to the fall off in residential construction activities. But there were also notable drawbacks in the level of construction for commercial and industrial developments. During 2009, activities in

the commercial component, as measured by the amount of square footage of office and retail space that was under construction, evidenced a significant decline by 35.0 percent from the figure recorded in the prior year. A similar trend also prevailed for industrial space; it declined by 84.2 percent over the same period.

Despite the increase in home sales in fiscal year 2009, the average sales price of an existing single-family home in Miami-Dade declined to \$204,808 in current dollars, down by 35.9 percent. That was on top of the 16.0 percent loss in appreciable value during the same period a year earlier. In a similar trend to prices of single-family homes, condominium prices followed the same direction in fiscal year 2009. During the past twelve months, existing condominiums sold at an average price of \$151,900 in current dollars, or a 41.6 percent decrease from fiscal year 2008. For the year ahead, housing prices are likely to continue to decline, at least in the first half of the year. This, coupled with the aforementioned slowdown in the construction of residential developments, will help the housing inventory to reach a level somewhat close to what is considered desirable for price stability.

On the commercial real estate front there was a substantial reduction in volume with declines in sales activities in both the office and industrial sides of the market during the year. In terms of the former, existing inventory (square footage) increased from 45.3 million to 48.1 million, or a 6.2 percent increase from 2008, while the overall office vacancy rate climbed to 17.0 percent, up by 2.6 percentage points from the previous year. Along with the higher vacancy rate, occupied office space declined over the past twelve months, closing the year with negative overall absorption. During the same period, leasing activity dropped significantly as lease transactions recorded 2.1 million square feet, down by 30.1 percent from the level attained in the previous year. Reduction of professional activity, as reflected in the decrease in professional and business services employment, most likely had a negative effect on demand for office space.

In spite of these results, Miami-Dade's commercial real estate market continues to remain well-positioned for long



term growth. However, near-term future remains bleak as an oversupply of office and industrial space exists in the market and will take some time for demand to catch up.

Economic activity, as measured by taxable sales, was on the minus-side throughout fiscal year 2009, probably reflecting lack of confidence and uncertainty in how consumers feel about the economy. Improving consumer confidence is an important factor in increasing consumer spending. Total taxable sales were down 9.2 percent, with retail sales alone declining by 8.0 percent compared to the previous year (without taking price inflation into account). Atypically, as was the case in the past three fiscal years, Miami-Dade County fared somewhat better than the State in relative taxable sales. As such, the average decline in taxable sales for the County was not as pronounced as the statewide average, which declined by 10.7 percent.

During fiscal year 2009, there were across-the-board declines in all major categories from the 2008 figures. The largest decline was in Autos and Accessories, posting a loss of 15.1 percent, followed by Consumer Durables with a decline of 13.4 percent. In comparison, these losses were worse relative to the sales percentage losses in the previous year, especially for the latter. There were also considerable declines in the other two major categories. Tourism and Recreation and Consumer Non-Durables reported declines of 6.1 percent and 4.7 percent, respectively, reversing the trend from fiscal year 2008 when both components had sales up slightly. This lessening performance was reflected in the Miami-Dade's Index of Retail Activity, which declined by 7.8 percent during the same period, reflecting the fact that consumer confidence levels remained low and essentially unchanged throughout fiscal year 2009. Similarly, the same index, at the State level, displayed an even larger decline of 9.5 percent.

One of the best indicators of the Miami-Dade's economic performance during the fiscal year was in the area of international trade and commerce. International trade activity, which in previous years had been a major driving force for growth in the local economy, slowed down considerably in 2009, posting sizable declines in both exports and imports. While these trends in trade are not welcomed, Miami-Dade has outperformed most of the country, where the declines in import-export marks have been steeper.

This latter fact demonstrates the area's strategic position to produce higher volumes of trade-related services relative to most trading hubs and the ability to remain competitive, even amid the country's economic recession. In fiscal year 2009, merchandise trade passing through the Miami Customs District (52) totaled \$79.8 billion. This represents a 10.6 percent decrease in total trade in contrast with the 15.2 percent gain in 2008. Exports registered a negative year with a decline of 6.1 percent compared to a 22.0 percent advance during the prior fiscal year. The import side presented a far worse picture with a 17.2 percent decline in 2009 compared to an advance of 6.4 percent in the previous year. Traditionally, most U.S. goods are exported from the Miami Customs District to South America, Central America, and the Caribbean. With the economies in most of the countries in these regions suffering from the throes of the global recession in 2009, there were reductions in purchases and, subsequently, less demand for shipping supplies of essential goods, such as industrial machinery, and high-tech products and parts, and this contributed to the decrease of exports.

Following several years of record visitations, the tourism sector showed total visitors down by 1.4 percent in 2009. In total, 11.9 million people visited Miami-Dade County during the year, falling a bit short of the 12 million mark of overnight visitors recorded in the previous year. The number of domestic visitors was down 1.5 percent to about 6.2 million, while international visitors declined to 5.7 million, about 1.2 percent lower than in 2008. This reflected a visitor market mix of 52.3 percent domestic and 47.7 percent international. The decline in the domestic segment can be attributed to a weak travel market nationwide, most likely as a result of the economic recession. For similar reasons, the negative showing of the international component of Miami-Dade's visitors reflects the low tourism levels in Europe and Latin America. Despite these declines, visitor satisfaction with their stay continued at high levels as travelers are noting the increase in improved attractions, upgraded and expanded hotels, and great beaches. The factors in attracting still relatively high numbers of visitors are the result of a successful marketing campaign by the Greater Miami Convention and Visitors Bureau to promote and sustain year-round tourism and the strategy to target vacationers not only from within the U.S., but from Europe and Latin America as well.

After a year of a significant deceleration in economic growth, the future outlook for fiscal year 2010 is on track for another year of constrained expectations for Miami-Dade County with prospects similar but somewhat better than the previous year. As the U.S. economy continues to struggle to emerge from the recession, a generally ambivalent macro-based view can be drawn about the performance of Miami-Dade's economy from the leading indicators measured by job losses, high unemployment, and weak consumer spending. Most of the unfavorable conditions center on the area's job and real estate markets. These are the markets that will, by and large, define the local economy in the coming year. First, it is jobs, more than any other measure that could signal a real recovery. Unless employers have enough confidence and enough sales to hire new people, any improvement will fall short. Then, there is the issue of real estate that could dent Miami-Dade's recovery, mostly having to do with residential foreclosures. Until the number of foreclosures shows some signs of retreat, it will be difficult to see any reduction in the unsold inventory of homes. On the other side of the equation, there is the all-important area of trade that could help the recovery. Trade activities are predicted to rebound due to favorable trends with countries to the south. While the impacts of the national recession on the local economy may hinder an optimistic projection for a good performance in all measures, the County's economy is large and quite diversified that even with the presence of these concerns and the current recessionary pressures it will likely hold up better than in most large urban areas in the nation. This is the consensus among economists and most analysts who hope that their predictions on the positive trends out number the negatives regarding Miami-Dade's economy in the year to come.

In general, the Miami-Dade economy is not strongly influenced by national conditions. Yet, volatile market trends at the national level coupled with unexpected situations at the international level could have an analogous affect on the growth of the area's key economic sectors. Over and above the uncertainties surrounding the pace of recovery of the national economy in fiscal year 2010, close attention to issues that could adversely affect the Miami-Dade economy need to be given. These include negative job growth, rising unemployment rates, slow growth in personal income, tight

credit for small businesses, a large inventory of unsold homes, an increasing number of distressed properties, as well as high foreclosure rates. In the new fiscal year, dealing with these issues and providing solutions to ease the impact of the recession and speed the economic recovery will result in great challenges for the elected officials and business leaders of Miami-Dade County.

In summary, fiscal year 2010 is foreseen as a year of hope amid signs of recovery for the Miami-Dade County economy and its most vital industries, including trade, transportation, tourism, and real estate. While an improvement is taking place in some of the economic indicators, many others, including job restoration, will still lag behind. Given their uncertainty about the future, employers are likely to remain cautious about hiring and that may be a key determinant on the pace of recovery. All things considered, full recovery to the levels of pre-recession is probably several years away. In conclusion, fiscal year 2010 in Miami-Dade will most likely be a close replica of the previous year but the economy should begin to show more signs of recovery.

For fiscal year 2010, the Department projects a slight reduction in the Collections Fund revenues due to the uncertainty of the local housing market. The reduced revenues coupled with rising costs presents a challenge to deliver the same level of service at the current Collection Fee. The last fee increase was imposed in October 2006; however the Department anticipates needing a fee increase within the next two years.

The Disposal fund has also faced revenue challenges due to reduced tonnage in full fee revenue tons and a negative Consumer Price Index (CPI); a net decrease of 1.1% CPI South All Urban Consumers was applied to contracts and interlocal agreements appropriately. As a result of these factors the Disposal fund is projected to experience less financial stability until further growth in the economy is experienced.

#### **Long-term Financial Planning**

The DSWM continues to maintain long-term financing for the construction and acquisition of long-term assets. The fiscal year 2010 Adopted Capital Budget and Multi-Year Capital Improvement Plan includes pro-

grammed expenditures for the current year and the next five fiscal years totaling \$94.03 million. These projects include approximately \$17.38 million in groundwater remediation, closure and other environmental improvement projects at the Department's facilities, \$31 million in other collection and disposal facility improvements, which include landfill cell construction and transfer station improvements and approximately \$45.65 million for the Virginia Key municipal landfill closure grant project. These programs will be funded with both operating funds and debt proceeds as necessary.

Major capital projects programmed to commence or continue in fiscal year 2010 include:

- Closure of the South Dade Landfill Cell 3 project.
- Replacement of the Central Transfer Station compactor.
- Construction of South Dade Landfill Cell 5 project.

#### Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Department of Solid Waste Management, a Department of Miami-Dade County, Florida, for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2008. This was the fifteenth consecutive year that the Department has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

#### Acknowledgements

This report could not have been prepared on a timely basis without the efficiency and dedication of the Department's Accounting staff. We are grateful to all Department employees who assisted and contributed to its preparation. We thank the County's Finance Department for their assistance and support. We would also wish to thank the Mayor, the Miami-Dade County Commissioners and the County Manager for their continued assistance in enabling the Department to fulfill its role in delivering a highly efficient and effective county-wide integrated solid waste service to the community.

Thee Woods Richards

Respectfully submitted,

Kathleen Woods-Richardson

Director

Vicente Castro

Deputy Director Operations

Christopher Rose

Deputy Director Administration

Aneisha Daniel

Assistant Director, Administration

Maria Jaucher

Maria Sanchez, CPA

Controller

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Department of Solid Waste Management, A Department of Miami-Dade County, Florida

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2008

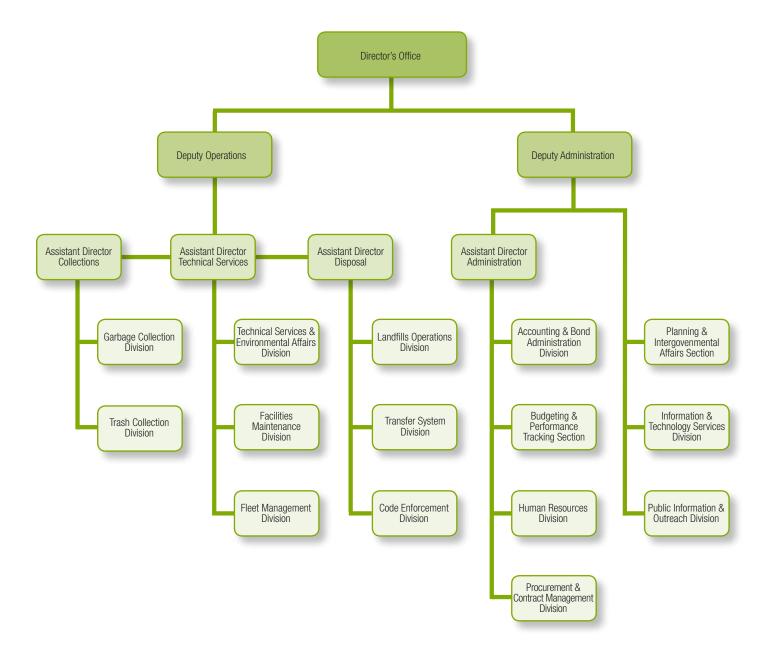
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

**Executive Director** 

Miami-Dade County Department of Solid Waste Management Table of Organization: FY 2009





# Financial Section





KPMG LLP Suite 2000 200 South Biscayne Boulevard Miami, FL 33131

#### **Independent Auditors' Report**

The Honorable Mayor, and Chairperson, and Members of the Board of County Commissioners Miami-Dade County, Florida

We have audited the accompanying financial statements of the Miami-Dade County Department of Solid Waste Management (the Department), an enterprise fund of Miami-Dade County, Florida, as of and for the years ended September 30, 2009 and 2008, as listed in the table of contents. These financial statements are the responsibility of the Department's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As discussed in note 1, the financial statements present only the Department and do not purport to, and do not, present fairly the financial position of Miami-Dade County, Florida, as of September 30, 2009 and 2008, and the changes in its financial position and, where applicable, its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Miami-Dade County Department of Solid Waste Management, an enterprise fund of Miami-Dade County, Florida, as of September 30, 2009 and 2008, and the changes in financial position and cash flows thereof for the years then ended in conformity with U.S. generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 29, 2010 on our consideration of the Department's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

KPMG LLP, a U.S. limited liability partnership, is the U.S. member firm of KPMG International, a Swiss cooperative



The management's discussion and analysis on pages 4 through 25 and the schedule of funding progress for the retiree health plan on page 69 is not a required part of the basic financial statements but is supplementary information required by U.S. generally accepted accounting principles. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements of the Miami-Dade County Department of Solid Waste Management, an enterprise fund of Miami-Dade County, Florida. The introductory section, supplementary financial section, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary financial section has been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.



March 29, 2010 Certified Public Accountants



### Management's Discussion and Analysis (Unaudited)

The Miami-Dade County, Florida (the "County"), Department of Solid Waste Management (the "Department", "DSWM") presents the following Management's Discussion and Analysis (MD&A). Our discussion of the Department's financial performance provides an overview of the financial activities for the fiscal years ended September 30, 2009 and 2008. The information presented in this MD&A should be considered in conjunction with the information furnished in the Letter of Transmittal included in the Introductory Section, the Department's financial statements in this section and the various summaries of activities and financial performance included in the Supplemental Schedules (supplementary financial information) and the Statistical Section of this report.

### Highlights

#### **Financial Highlights**

Fiscal Year 2009

- At September 30, 2009, the assets of the Department exceeded its liabilities by \$161.9 million ("net assets") as compared to \$161.7 million at September 30, 2008. Of the total \$161.9 million in net assets as of September 30, 2009, \$39.3 million was invested in capital assets, net of related debt; \$114.8 million was restricted for debt service, groundwater protection, closure grants and reserves; the remaining balance of \$7.8 million represented unrestricted net assets.
- Total net assets increased by \$148 thousand, reflecting total revenues in excess of total expenses for the fiscal year ended September 30, 2009.
- For the fiscal year ended September 30, 2009, the Department's operating revenues decreased by \$5.1 million.
- For the fiscal year ended September 30, 2009:
  - Operating expenses before depreciation and closure and postclosure care costs for the inactive landfills decreased \$9.5 million.
  - Depreciation expense decreased \$2.8 million.
  - Closure and postclosure care costs for inactive landfills decreased \$10 million.
  - Non-operating expenses net of non-operating revenues increased \$8.3 million.
  - Contributions increased by \$523 thousand.
  - Transfers in decreased by \$343 thousand.
- The Department's bonds and notes payable decreased by \$14.2 million during the fiscal year ended September 30, 2009.

#### Fiscal Year 2008

- At September 30, 2008, the assets of the Department exceeded its liabilities by \$161.7 million ("net assets") as compared to \$170.6 million at September 30, 2007. Of the total \$161.7 million in net assets as of September 30, 2008, \$39.9 million was invested in capital assets, net of related debt; \$118.9 million was restricted for debt service, groundwater protection, closure grants and reserves; the remaining balance of \$2.9 million represented unrestricted net assets.
- Total net assets decreased by \$8.9 million, reflecting expenses in excess of revenues earned for the fiscal year ended September 30, 2008.

- For the fiscal year ended September 30, 2008, the Department's operating revenues decreased by \$4.2 million.
- For the fiscal year ended September 30, 2008:
  - Operating expenses before depreciation and closure and postclosure care costs for the inactive landfills increased \$28.1 million.
  - Depreciation expense increased \$3.9 million.
  - Closure and postclosure care costs for inactive landfills increased \$1.8 million.
  - Non-operating expenses net of non-operating revenues increased \$20 million.
  - Contributions totaled \$216 thousand.
  - Transfers in totaled \$2.6 million.
- The Department's bonds and notes payable decreased by \$13 million during the fiscal year ended September 30, 2008.

#### **Department of Solid Waste Management's Highlights**

#### Fiscal Year 2009

- During the fiscal year ended September 30, 2009, the Department serviced approximately 323,500 residential units, approximately 3,800 household/commercial accounts and approximately 900 commercial accounts. This represents an overall increase of .15% over the fiscal year ended September 30, 2008.
- The annual fee for curbside collection remained at \$439 per household in fiscal year 2009.
- During fiscal year ended September 30, 2009, disposal equivalent revenue tons totaled approximately 1.6 million tons, an 11% decrease when compared to the fiscal year ended September 30, 2008.
- The disposal contract tipping fee was \$60.43 per ton during the fiscal year ended September 30, 2009, an increase of 4.99% over the fiscal year ended September 30, 2008.
- The Department contributed \$11.8 million to capital projects during fiscal year 2009.

#### Fiscal Year 2008

- During the fiscal year ended September 30, 2008, the Department serviced approximately 323,000 residential units, approximately 3,800 household/commercial accounts and approximately 900 commercial accounts. This represents an overall increase of 1.27% over the fiscal year ended September 30, 2007.
- The annual fee for curbside collection remained at \$439 per household in fiscal year 2008.
- During fiscal year ended September 30, 2008, disposal equivalent revenue tons totaled approximately 1.8 million tons, an 8% decrease when compared to the fiscal year ended September 30, 2007.
- The disposal contract tipping fee was \$57.56 per ton during the fiscal year ended September 30, 2008, an increase of 2.7% over the fiscal year ended September 30, 2007.
- The Department completed \$5.6 million in capital projects during fiscal year 2008.



#### Overview of the Financial Statements

This discussion and analysis section is intended to serve as an introduction to the Department's financial statements with the notes thereto. The notes to the financial statements are essential for a full understanding of the information contained in the financial statements.

The Department's Financial Statements report information about the Department using accounting methods similar to those used by private sector companies. These statements offer short-term and long-term financial information about the Department's activities. These financial statements include the financial position, results of operations and cash flows of both the Disposal and Collection Systems. Supplemental financial data for each of these systems is provided elsewhere in this report.

The Statements of Net Assets include all of the Department's assets and liabilities providing information about the nature and amounts of resources (assets) and obligations to creditors (liabilities) with the difference between the two reported as net assets at September 30, 2009 and 2008, respectively. The increases and decreases in net assets may serve as a valuable indicator of whether the financial position of the Department is improving or deteriorating. These statements also provide the basis for assessing the liquidity and financial flexibility of the Department along with its capital structure.

All of the Department's revenues and expenses are reflected on the Statements of Revenues, Expenses and Changes in Fund Net Assets for the fiscal years ended September 30, 2009 and September 30, 2008, respectively. These statements measure the level of success by the Department's operations in fiscal years 2009 and 2008, respectively. These may be used to evaluate the Department's profitability and credit worthiness and to determine whether the Department has successfully recovered all its costs through its user fees and other charges.

The Department's Statements of Cash Flows provide information about the Department's cash receipts and cash disbursements during the fiscal years ended September 30, 2009 and 2008, respectively. These statements report sources, uses and net changes in cash resulting from operating, investing, capital and non-capital financing activities.

### Financial Analysis of the Department

As previously mentioned, the Statements of Net Assets and the Statements of Revenues, Expenses and Changes in Fund Net Assets reflect information about the Department's activities, which may serve as a useful indicator of whether the financial position of the Department is improving or deteriorating. These two set of statements report the net assets of the Department and changes in them. The difference between assets and liabilities is one way to measure financial health or financial position. Over time, increases or decreases in the Department's net assets are one indicator of whether its financial health is improving or deteriorating. In addition, consideration must be given to non-financial factors including but not limited to population growth, economic conditions, changes in regulatory requirements and legislation.

The analysis below focuses on the Department's net assets (Table I) at the end of the fiscal years 2009, 2008 and 2007 and changes in fund net assets (Table II) during the fiscal years 2009, 2008 and 2007.

The Department's assets exceeded liabilities by \$161.9 million, \$161.7 million and \$170.6 million at September 30, 2009, 2008 and 2007, respectively.

A summary of the Department's statements of net assets at September 30, (Table I) is shown below:

Table I Net Assets

	At September 30,		
	2009	<u>2008</u>	<u>2007</u>
		(In thousands)	
ASSETS			
CURRENT ASSETS			
Total Unrestricted Assets	138,277	\$ 147,289	135,485
Total Restricted Assets	24,476	22,125	21,814
Total Current Assets	162,753	169,414	157,299
NON-CURRENT ASSETS			
Total Restricted Assets	128,447	135,548	135,476
Total Capital Assets	204,293	220,733	246,457
Total Other Assets	9,004	8,826	8,278
Total Non-Current Assets	341,744	365,107	390,211
TOTAL ASSETS	504,497	534,521	547,510
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
Total Payable from Unrestricted Assets	29,624	34,362	27,732
Total Payable from Restricted Assets	24,476	22,125	21,814
Total Current Liabilities	54,100	56,487	49,546
LONG-TERM LIABILITIES			
Total Long-Term Liabilities	288,517	316,302	327,387
TOTAL LIABILITIES	342,617	372,789	376,933
NET ASSETS			
Investment in Capital Assets, net of Related Debt	39,343	39,864	56,871
Restricted	114,755	118,935	114,505
Unrestricted (Deficit)	7,782	2,933	(799)
TOTAL NET ASSETS	161,880	\$ 161,732	170,577

#### Fiscal Year 2009

As of September 30, 2009, capital assets such as land, buildings, construction in progress, machinery and equipment (net of any debt outstanding used to acquire these assets) constituted 24% of the Department's net assets.

The Department uses these assets to provide services to customers; therefore, these assets are not available for future spending. It should be noted that while these capital assets are reported net of related debt, the resources required to repay this debt must be provided annually from operations, since it is unlikely the capital assets themselves will be liquidated to pay these liabilities. Total invested in capital assets, net of related debt decreased to \$39.3 million at September 30, 2009, from \$39.9 million at September 30, 2008. This decrease reflects the combined effects of capital assets additions, capital assets deletions, deductions for the increase in accumulated depreciation, the decrease in the related debt and decrease in unused debt proceeds. Additional information concerning the Department's capital assets and long-term debt can be found in Notes 3 and 4 to the financial statements.

An additional portion of the Department's net assets represents resources that are subject to external restrictions on how they may be used. At September 30, 2009, total restricted net assets amounted to \$114.8 million as compared to \$118.9 million at September 30, 2008. This decrease reflects lower closure grant and construction account balances partially offset by higher debt service account, groundwater protection receivable account and operating expense reserve fund balances. Additional information concerning the Department's restricted assets can be found in Note 5 to the financial statements.

The remaining balance of \$7.8 million at September 30, 2009, is reported as unrestricted net assets. Unrestricted net assets generally represent balances, which may be used to meet the Department's obligations to customers, employees and creditors. This \$7.8 million balance, at September 30, 2009, increased from \$2.9 million at September 30, 2008, reflecting the benefits of lower balances in unrestricted current and long term liabilities (excluding bonds and notes payable) partially offset by lower balances in unrestricted assets. These balances in unrestricted net assets reflect the impact of the Department's ongoing recognition of the liability for closure and postclosure care costs totaling \$100 million and \$114 million as of September 30, 2009 and 2008, respectively. Additional information concerning the Department's liability for closure and postclosure care costs can be found in Note 10 to the financial statements.

#### Fiscal Year 2008

As of September 30, 2008, capital assets such as land, buildings, construction in progress, machinery and equipment (net of any debt outstanding used to acquire these assets) constituted 25% of the Department's net assets.

The Department uses these assets to provide services to customers; therefore, these assets are not available for future spending. It should be noted that while these capital assets are reported net of related debt, the resources required to repay this debt must be provided annually from operations, since it is unlikely the capital assets themselves will be liquidated to pay these liabilities. Total invested in capital assets, net of related debt decreased to \$39.9 million at September 30, 2008, from \$56.9 million at September 30, 2007. This decrease reflects the combined effects of capital assets additions, capital assets deletions, deductions for the increase in accumulated depreciation, the decrease in the related debt and decrease in unused debt proceeds. Additional information concerning the Department's capital assets and long-term debt can be found in Notes 3 and 4 to the financial statements.

An additional portion of the Department's net assets represents resources that are subject to external restrictions on how they may be used. At September 30, 2008, total restricted net assets amounted to \$118.9 million as compared to \$114.5 million at September 30, 2007. This increase reflects higher balances in the Department's debt service account, groundwater protection receivable account, rate stabilization and operating expense reserve fund partially offset by lower closure grant balances. Additional information concerning the Department's restricted assets can be found in Note 5 to the financial statements.

The remaining balance of \$2.9 million at September 30, 2008, is reported as unrestricted net assets. Unrestricted net assets generally represent balances, which may be used to meet the Department's obligations to customers, employees and creditors. This \$2.9 million balance in fiscal year 2008 increased from a \$799 thousand negative balance (deficit) at September 30, 2007, reflecting the benefits of higher balances in unrestricted assets partially offset by higher balances in unrestricted current liabilities and long term liabilities (excluding bonds and notes payable). These balances in unrestricted net assets reflect the impact of the Department's ongoing recognition of the liability for closure and postclosure care costs totaling \$114 million and \$109 million as of September 30, 2008 and 2007, respectively. Additional information concerning the Department's liability for closure and postclosure care costs can be found in Note 10 to the financial statements.

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Changes in the Department's net assets can be established upon review of the summary of the Department's statements of revenues, expenses and changes in fund net assets for the fiscal years ended September 30, (Table II) shown below:

TABLE II
Changes In Fund Net Assets

	-	For Fiscal Years Ended September 30,				
		2009		2008		2007
			(1	In thousands)	_	
Operating revenues						
Solid waste disposal services	\$	60,117	\$	65,617	\$	73,999
Solid waste collection services		142,090		143,497		142,193
Utility service fees		19,559		18,067		17,852
Electricity sales		27,911		28,000		23,704
Other operating revenues		15,451	_	15,078	_	16,678
Total operating revenues		265,128		270,259		274,426
Interest income		4,032		8,971		11,757
Other non-operating revenue, net		-		_		18,045
Contributions		739		216		_
Transfers In	_	2,239	_	2,582	_	
Total Revenues		272,138		282,028		304,228
Operating expenses excluding depreciation and closure & postclosure care costs for inactive landfills		231,739		241,190		213,146
Depreciation		32,487		35,284		31,443
Closure & postclosure care costs/(recovery) for inactive landfills		(7,211)		2,803		955
Interest expense		9,348		10,166		11,044
Closure grant		5,560		1,041		1,385
Other non-operating expenses, net		67		389		
Total Expenses		271,990		290,873		257,973
Changes in Fund Net Assets		148		(8,845)		46,255
Total Net Assets, beginning of the year		161,732	_	170,577	_	124,322
Total Net Assets, end of the year	\$	161,880	\$_	161,732	\$_	170,577

Total net assets increased/(decreased) by \$148 thousand and by (\$8.9) million in fiscal years 2009 and 2008, respectively.

Historically, operating revenues generated by the System have included solid waste disposal services revenues, solid waste collection services revenues, utility service fees, electrical revenues from the Resources Recovery Facility and other operating revenues. Other operating revenues include disposal facility fees, office rental income, parking facilities revenue, code enforcement fines, permit fees, and other miscellaneous income.

### Fiscal Year 2009

Operating revenues decreased 2% from \$270.2 million in fiscal year 2008 to \$265.1 million in fiscal year 2009, reflecting a decrease in three revenue components (with the most significant decrease in Solid Waste Disposal Services) partially offset by increases in the other two operating revenue categories.

Disposal Services Revenues decreased to \$60.1 million in the fiscal year ended September 30, 2009 from \$65.6 million in fiscal year 2008. This decrease resulted from lower equivalent revenue tons partially offset by higher disposal tipping fees. Equivalent revenue tons decreased from 1.8 million in the fiscal year ended September 30, 2008 to 1.6 million in fiscal year ended September 30, 2009. The decrease in equivalent revenue tons in fiscal year 2009, when compared to fiscal year 2008, is primarily attributable to the decline in the economy which continued in fiscal year 2009. Disposal tipping fees are collected from all users of the County's solid waste disposal facilities. Disposal tipping fees increased from fiscal year 2008 to fiscal year 2009, as follows: \$57.56 per ton to \$60.43 per ton for contractual customers; from \$75.89 per ton to \$79.68 per ton for non-contractual customers; and from \$11.34 per ton to \$11.90 per ton for the additional fee paid by those customers utilizing the Department's transfer stations.

Solid Waste Collection Services Revenues decreased from \$143.5 million in the fiscal year 2008 to \$142 million in the fiscal year 2009. This decrease in collection services revenues reflects the effects of lower direct billing and lower collection of legal judgments, coupled with the effects of a one time recycling education revenue (in fiscal year 2008) partially offset by a minor increase (.15%) in waste collection units serviced in fiscal year 2009. Collection services revenues are derived primarily from the curbside collection of garbage and trash. Fees for collection services remained the same in fiscal year 2009 as compared to fiscal year 2008, as follows: \$439 per household for residential curbside collection, \$339 per unit for residential container service and the rollaway service ranged from \$236.11 to \$956.39 depending on ownership, frequency of service and container size. During the fiscal year ended September 30, 2009, the Department serviced approximately 323,500 residential (household) units, approximately 3,800 household/commercial accounts and approximately 3,800 household/commercial accounts and approximately 3,800 household/commercial accounts and approximately 30, 2008.

Utility Service Fee Revenues reflected an increase to \$19.6 million in fiscal year 2009 from \$18.1 million in the fiscal year ended September 30, 2008. The utility service fee is a fee assessed Countywide on water and wastewater bills. It is intended to provide a stable source of funding for groundwater protection activities related to the landfills in the System. These activities include, but are not limited to, ground water remediation, landfill closure and related 30 years postclosure care. The County, beginning with fiscal year 1996, increased the existing utility service fee collected on water and wastewater bills from 4% to 7.5%. The increase of 3.5% was assigned to the Department.

Electricity Sales decreased to \$27.9 million in fiscal year 2009 from \$28 million in the fiscal year ended September 30, 2008, reflecting the effects of lower kilowatt hours produced partially offset by higher capacity and energy payment rates. The decrease in kilowatt hours produced was 8,076,000 KWH. Electrical revenues are generated

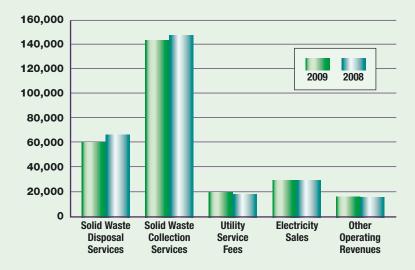
pursuant to agreements with Progress Energy Inc. and Florida Power and Light Company ("FP&L") for the sale of electricity generated at the Resources Recovery Facility. These revenues from Progress Energy Inc., net of costs to FP&L for services in connection with transmission, interconnection, Doral substation and other, are shared equally with the Facility's Operator.

Other operating revenues increased to \$15.5 million in fiscal year 2009 from \$15.1 million in fiscal 2008. This increase reflected higher revenues in all other operating revenue components for fiscal year 2009. Other Operating revenues includes Disposal Facility Fee revenues, office rental income, parking lot facilities revenue, code enforcement fines, permit fees and other.

The following chart shows a comparison of operating revenues by source for the fiscal years ending September 30, 2009 and 2008.

# Operating Revenues

(Dollar Amount in Thousands)



## Fiscal Year 2008

Operating revenues decreased 2% from \$274.4 million in fiscal year 2007 to \$270.2 million in fiscal year 2008, reflecting a significant decrease in Solid Waste Disposal Services and in other operating revenues partially offset by increases in all other operating revenue categories.

Disposal Services Revenues decreased to \$65.6 million in the fiscal year ended September 30, 2008 from \$73.9 million in fiscal year 2007. This decrease resulted from lower equivalent revenue tons partially offset by higher disposal tipping fees. Equivalent revenue tons decreased from 1.96 million in the fiscal year ended September 30, 2007 to 1.8 million in fiscal year ended September 30, 2008. The decrease in equivalent revenue tons in fiscal

year 2008, when compared to fiscal year 2007, is primarily attributed to the decline in the local economy. Disposal tipping fees are collected from all users of the County's solid waste disposal facilities. Disposal tipping fees increased from fiscal year 2007 to fiscal year 2008, as follows: \$56.05 per ton to \$57.56 per ton for contractual customers; from \$73.90 per ton to \$75.89 per ton for non-contractual customers; and from \$11.05 per ton to \$11.34 per ton for the additional fee paid by those customers utilizing the Department's transfer stations.

Solid Waste Collection Services Revenues increased from \$142.2 million in the fiscal year 2007 to \$143.5 million in the fiscal year 2008. This modest increase in collection services revenue reflects the effects of higher waste collection units serviced in fiscal year 2008. Collection services revenues are derived primarily from the curbside collection of garbage and trash. Fees for collection services remained the same in fiscal year 2008 as compared to fiscal year 2007, as follows: \$439 per household for residential curbside collection, \$339 per unit for residential container service, the rollaway service ranged from \$236.11 to \$956.39 depending on ownership, frequency of service and container size. During the fiscal year ended September 30, 2008, the Department serviced approximately 323,000 residential (household) units, approximately 3,700 household/commercial accounts and approximately 3,700 household/commercial accounts and approximately 3,700 household/commercial accounts and approximately 9,000 commercial accounts during the fiscal year ended September 30, 2007.

Utility Service Fee Revenues reflected a modest increase to \$18.1 million in fiscal year 2008 from \$17.9 million in the fiscal year ended September 30, 2007. The utility service fee is a fee assessed Countywide on water and wastewater bills. It is intended to provide a stable source of funding for groundwater protection activities related to the landfills in the System. These activities include, but are not limited to, ground water remediation, landfill closure and related 30 years postclosure care. The County, beginning with fiscal year 1996, increased the existing utility service fee collected on water and wastewater bills from 4% to 7.5%. The increase of 3.5% was assigned to the Department.

Electricity Sales increased significantly to \$28 million in fiscal year 2008 from \$23.7 million in the fiscal year ended September 30, 2007, reflecting the combined effects of higher capacity payments, higher energy payment rates and higher number of kilowatt hours produced. The increase in kilowatt hours produced was approximately 20,860,000 KWH. Electrical revenues are generated pursuant to agreements with Progress Energy Inc. and Florida Power and Light Company ("FP&L") for the sale of electricity generated at the Resources Recovery Facility. These revenues from Progress Energy Inc., net of costs to FP&L for services in connection with transmission, interconnection, Doral substation and other, are shared equally with the Facility's Operator.

Other operating revenues decreased to \$15.1 million in fiscal year 2008 from \$16.7 million in fiscal 2007, primarily as a result of the UMSA revenue for litter control which was discontinued after fiscal year 2007. In fiscal year 2008, other operating revenues included Disposal Facility Fee revenues, office rental income, parking lot facilities revenue, code enforcement fines, permit fees and other.

Operating expenses are costs incurred in the operation and maintenance of the System, including the expenses for landfill operations, fees paid to the Resources Recovery Facility Operator for disposal of solid waste at the Resources Recovery Facility, transfer operations, garbage and trash collections, recycling, litter control, facility maintenance, county wide lot clearing, enforcement and environmental compliance and administration. Ex-

penses of the System are paid prior to the payment or provision for payment of the principal and interest on the Department's bonds payable.

### Fiscal Year 2009

Operating expenses prior to depreciation expense and closure and postclosure care costs for inactive landfills decreased by \$9.5 million to \$231.7 million in fiscal year 2009, from \$241.2 million in fiscal year 2008.

A summary of the Department's Operating Expenses Prior to Depreciation Expense and Closure & Postclosure Care Costs for Inactive Landfills for the years ended September 30, 2009, 2008 and 2007, respectively, is as follows (Table III):

TABLE III

# Summary of Operating Expenses Prior to Depreciation Expense and Closure & Postclosure Care for Inactive Landfills

for the Fiscal Years Ended September 30, 2009, 2008 and 2007 respectively, indicating the amount of change in Fiscal Year 2009 as compared to Fiscal Year 2008

Operating Expenses Prior to Depreciation Expense and Closure & Postclosure Care for Inactive Landfills		2009		2008		2007		Increase/ (Decrease)
	-		_	(In th	ousa	nds)	_	<u>`                                    </u>
Landfill & disposal operations, net of change in closure & postclosure care cost estimates for active landfills	\$	16,438	\$	22,746	\$	20,502	\$	(6,308)
Waste-to-energy		81,002		72,893		67,491		8,109
Transfer operations		26,395		28,635		27,416		(2,240)
Garbage collection		37,734		38,688		37,492		(954)
Trash collection		16,834		17,462		16,208		(628)
Recycling		16,250		25,250		12,246		(9,000)
Litter control & County wide lot clearing		1,634		1,281		1,285		353
Facility maintenance		2,281		1,900		1,288		381
Enforcement and environmental compliance		8,251		7,293		6,428		958
General and administrative	_	24,920	_	25,042	_	22,790	_	(122)
Total	\$_	231,739	\$_	241,190	\$_	213,146	\$	(9,451)

The \$9.5 million decrease in operating expenses prior to depreciation expense and closure and postclosure care costs for inactive landfills for fiscal year 2009, when compared to fiscal year 2008, resulted from decreases in landfill disposal operations, transfer operations, garbage collection, trash collection, recycling and general and administrative segments which were partially offset by cost increases in the waste to energy, litter control and county wide lot clearing, facility maintenance and enforcement and environmental compliance components.

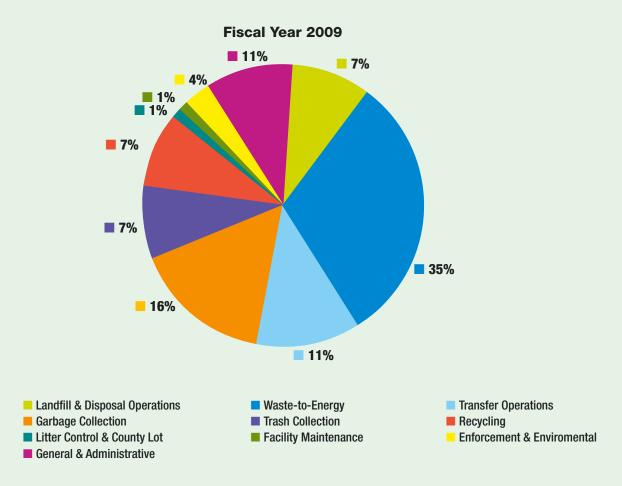
Landfill and disposal operations expense decreased approximately \$6.3 million. This decrease primarily resulted from lower amortization of closure and postclosure care costs and other contractual services. The \$2.2 million decrease in transfer operations resulted from lower personnel and charges for county services costs. The decrease in garbage and trash collection (\$954 and \$628 thousand, respectively) resulted from lower costs associated with charges for county services which were partially offset by higher personnel costs. The \$9 million decrease in the recycling segment resulted from lower costs associated with the new recycling carts (the majority of the carts were acquired in fiscal year 2008) combined with lower insurance costs. The \$122 thousand decrease in general and administrative expenses resulted from lower costs associated with other post employment benefits combined with lower bad debt expenses which were partially offset by increases in contractual services, rental, costs associated with the funding for community based organizations and maintenance and repair costs. Waste-to energy expenses increased approximately \$8.1 million. This increase resulted from the recognition of \$5.7 million in Recyclable Trash shortfalls as of September 30, 2009, combined with higher payments to the Operator of the Resources Recovery Plant and to other contractors. The \$353 thousand increase in litter control and county wide lot clearing costs is attributed to the reimbursement (from the County) for the county wide lot clearing activity in fiscal year 2008 (which was discontinued for fiscal year 2009) partially offset by lower costs associated with county wide lot clearing activities. The \$381 thousand increase in facility maintenance resulted from higher personnel costs. The \$958 thousand increase in enforcement and environmental compliance resulted from higher personnel and contractual costs.

Additional information concerning the Department's other post employment benefits can be found in Note 8 to the financial statements and additional information concerning the Department's closure and postclosure care costs for active landfills can be found in Note 10 to the financial statements.

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The following chart shows operating expenses before depreciation and costs for closure and postclosure care for inactive landfills for the fiscal year ended September 30, 2009.

# Operating Expenses Before Depreciation and Closure and Postclosure Care Costs for Inactive Landfills (As a Percentage of Total)



Depreciation expense decreased from approximately \$35 million in fiscal year 2008 to approximately \$32.5 million in fiscal year 2009. The decrease in fiscal year 2009, resulted from the combined effects of the disposal of depreciable plant and equipment, assets found fully depreciated and lower landfill depletion (corresponding to lower capacity used as a result of the lower tonnage received in fiscal year 2009), partially offset by additions to depreciable plant and equipment. Additional information concerning the Department's depreciation policy can be found in Note 1 of the financial statements and additional information concerning the Department's property plant and equipment can be found in Note 3 to the financial statements.

Changes in estimates for closure and postclosure care for inactive landfills in fiscal year 2009 resulted in a credit (reduction to expense) of \$7.2 million as compared to a \$2.8 million expense in fiscal year 2008. This component includes

expenses associated with the closure and postclosure care of the Main Landfill at N. W. 58th Street (Main) and the assumption of responsibility for the closure and postclosure care of the Old South Dade Landfill site (OSD) and the Ojus Landfill (Ojus). OSD and Ojus have been undergoing closure enhancements. The \$7.2 million credit in fiscal year 2009 reflected the combined effects of approximately \$257 thousand credit in postclosure care estimates for Ojus Landfill, approximately \$4.145 million credit for the Old South Dade Landfill site and approximately \$2.809 million credit in postclosure care estimates for the Main Landfill. The changes in estimates resulted from the Department's postclosure care experience. Additional information concerning the Department's closure and postclosure care costs for inactive landfills can be found in Note 10 to the financial statements.

Non- operating expenses net of revenues in fiscal year 2009 totaled \$10.9 million as compared to \$2.6 million in fiscal year 2008. The components of this segment reflected decreases and increases as follows: interest income decreased \$4.9 million, interest expense decreased \$818 thousand, closure grants (expense) increased \$4.5 million and other (expense), net decreased \$322 thousand.

#### Fiscal Year 2008

Operating expenses prior to depreciation expense and closure and postclosure care costs for inactive landfills increased by \$28.1 million to \$241.2 million in fiscal year 2008, from \$213.1 million in fiscal year 2007.

The \$28 million increase in operating expenses prior to depreciation expense and closure and postclosure care costs for inactive landfills for fiscal year 2008, when compared to fiscal year 2007, resulted from increases in basically all operating expense segments with the highest increase residing in recycling expenses.

Landfill and disposal operations expense increased approximately \$2.2 million. This increase reflected higher contractual, personnel and fuel services combined with adjustments for inventory parts obsolescence. These increases were partially offset by decreases resulting from lower amortization of closure and postclosure care costs, maintenance and insurance costs. Waste-to energy expenses increased approximately \$5.4 million. This increase reflected higher payments to the Operator for the operation and maintenance of the Resources Recovery Plant combined with higher payments for their share of the electricity revenue. The increase in operation and maintenance expenses resulted from higher tonnage volume processed combined with higher rates pursuant to the CPI increase stipulated by the contract. The increase in expense for the Operator's share of the electricity revenue corresponded to the increase in electricity sales described above. Transfer operations expenses increased approximately \$1.2 million. This increase reflected higher personnel, county and fuel services partially offset by decreases in insurance costs. Garbage collection expenses increased approximately \$1.2 million. This increase reflected higher costs for county services partially offset by lower personnel and insurance costs. Trash collection expenses increased approximately \$1.3 million. This increase reflected higher costs for personnel and county services partially offset by lower insurance costs. Recycling expenses increased approximately \$13 million. This increase reflected the costs for the new recycling carts utilized by the single-stream recycling program implemented during fiscal year 2008. Facility maintenance expenses increased approximately \$600 thousand. This increase reflected higher maintenance and repair costs, personnel services and maintenance and repair supplies. Enforcement and environmental compliance expenses increased approximately \$900 thousand. This increase reflected higher administrative costs and higher personnel costs partially offset by lower contractual services. The increase in administrative costs resulted from higher payments to the Miami-Dade County Police Department for the county wide illegal dumping unit services. The increase in personnel services included the costs for the additional commercial recycling enforcement positions. General and administrative expenses increased approximately \$2.3 million. This increase reflected higher personnel costs (including the recognition of the other post employment benefits), county and administrative services partially offset by lower rental and insurance costs.

Litter control and County wide lot clearing expenses decreased approximately \$4 thousand as a result of lower costs in litter control.

Depreciation expense increased to \$35 million in fiscal year 2008 from \$31 million in fiscal year 2007. The increase resulted from the combined effects of additions to depreciable plant and equipment partially offset by equipment and assets found fully depreciated and depreciable assets disposed of, during fiscal year 2008. Additional information concerning the Department's depreciation policy can be found in Note 1 of the financial statements and additional information concerning the Department's property plant and equipment can be found in Note 3 to the financial statements.

Changes in estimates for closure and postclosure care for inactive landfills in fiscal year 2008 resulted in an expense of \$2.8 million as compared to an expense of \$955 thousand in fiscal year 2007. This component includes expenses associated with the closure and postclosure care of the Main Landfill at N. W. 58th Street (Main) and the assumption of responsibility for the closure and postclosure care of the Old South Dade Landfill site (OSD) and the Ojus Landfill (Ojus). OSD and Ojus have been undergoing closure enhancements. The \$2.8 million expense in fiscal year 2008 reflected the combined effects of approximately \$642 thousand in postclosure care estimates for the Old South Dade Landfill site, approximately \$1.807 million in postclosure care estimates for the Ojus Landfill and approximately \$354 thousand in the postclosure care estimates for the Main Landfill. The changes in estimates resulted from the Department's postclosure care experience. Additional information concerning the Department's closure and postclosure care costs for inactive landfills can be found in Note 10 to the financial statements.

Non- operating expenses net of revenues in fiscal year 2008 totaled \$2.6 million (expense, net) as compared to \$17.4 million non-operating revenue net of expenses in fiscal year 2007. The components of this segment reflected decreases and increases as follows: interest income decreased \$2.8 million, interest expense decreased \$900 thousand, closure grants (expense) decreased \$300 thousand, other, net reflected an increase in expense of \$18.4 million. The "other, net" increase in expense of \$18.4 million, primarily resulted from the recognition of an \$18 million reimbursement by the Federal Emergency Management Agency (FEMA) reflected as revenue in fiscal year 2007, compared to a \$400 thousand expense recognized in fiscal year 2008.

## Fiscal Year 2009

#### **Contributions**

During fiscal year 2009, the Department received \$739 thousand in contributions. This represented funding for the South Dade Landfill Cell 5 construction from the County's General Obligation Bonds.

#### Transfers In

On December 29, 2008, the Department entered into an interdepartmental agreement with Miami-Dade County Police Department for the sale of 19.81 acres located in the Main Landfill (inactive landfill) for \$2.3 million. This acreage had a book value of approximately \$58 thousand. As a result of this transaction, the

Department received approximately \$1.1 million in cash and recorded a loan receivable for the \$1.2 million balance in September 2009.

### Fiscal Year 2008

#### Contributions

During fiscal year 2008, the Department received \$216 thousand in contributions. This represented funding for the South Dade Landfill Cell 5 construction from the County's General Obligation Bonds.

### Transfers In

On December 4, 2007, the Department entered into an interdepartmental agreement with Miami-Dade County Park and Recreation Department for the sale of 33.58 acres located in the Main Landfill (inactive landfill) for \$2.7 million. This acreage had a book value of approximately \$100 thousand. As a result of this transaction, the Department received approximately \$1.2 million in cash and recorded a loan receivable for the balance.

## Capital Assets And Debt Administration

## **Capital Assets**

Fiscal Year 2009

As of September 30, 2009, the Department had \$204 million invested in capital assets including landfills, the Resources Recovery Facility, transfer stations, Trash and Recycling Centers (T&R Centers), construction in progress and machinery and equipment. This amount represents a decrease of \$17 million from \$221 million at September 30, 2008. This decrease reflects the combined effects of depreciation expense, sales and disposal of assets partially offset by asset additions during fiscal year 2009.

Major capital assets activity during fiscal year 2009 included the following:

- Projects continued in connection with the Collection Facility Improvements, T&R Centers Improvements, West and Southwest T&R Center, Truck wash facility, Central Transfer Station Compactor-Phase II, Environmental Improvements, Disposal Facilities Improvements, 58 Street Guardhouse & Drainage Improvements, Disposal Scalehouse Expansion Project, Disposal Facility Back-up Generator, Northeast Compactor Phase II, Northeast Transfer Station Tunnel Roof, Northeast Transfer Station Surge Pit Tipping Floor Roof, Northeast Transfer Station New Ramp, miscellaneous projects at the Resources Recovery Facility (Transformers Replacement), South Dade Ground Water Trench, South Dade Landfill Cell 5 Construction, West Transfer Station Tipping Floor. The projects listed herein exclude the closure projects discussed below.
- It should be noted that while included in the Department's capital budget, closure projects, in accordance with generally accepted accounting principles, are not capitalized upon completion; therefore, the costs of closure projects incurred in fiscal year 2009 have been excluded from property plant and equipment in the summary below. During fiscal year 2009, the Department contributed approximately \$5.8 million to these closure projects. Additional information concerning the Department's closure and postclosure care costs for active and inactive landfills can be found in Note 10 to the financial statements.

• Contributions to capital projects during fiscal year 2009 totaled \$11.8 million.

During fiscal year 2009, no event or changes in circumstances occurred resulting in the unexpected significant decline in the service utility (impairment) of the Department's capital assets.

The following table (Table IV) summarizes the Department's capital assets and accumulated depreciation at September 30.

TABLE IV
Capital Assets and Accumulated Depreciation

	At September 30,					
	2009 2				2007	
	(In thousands)					
Buildings and improvements	\$ 444,730	\$	444,730	\$	442,490	
Machinery and equipment	162,913		160,286	_	155,270	
Capital Assets, depreciable	607,643		605,016		597,760	
Accumulated depreciation	(477,201)		(452,256)		(422,621)	
Land	57,528		57,586		57,686	
Construction in progress	16,323		10,387	_	13,632	
Capital Assets	\$ 204,293	\$	220,733	\$	246,457	

Additional information concerning the changes in the Department's capital assets can be found in Note 3 to the financial statements.

## Fiscal Year 2008

As of September 30, 2008, the Department had \$221 million invested in capital assets including landfills, the Resources Recovery Facility, transfer stations, Trash and Recycling Centers (T&R Centers), construction in progress and machinery and equipment. This amount represents a decrease of \$25 million from \$246 million at September 30, 2007. This decrease reflects the combined effects of depreciation expense, sales and disposal of assets partially offset by asset additions during fiscal year 2008.

Major capital assets activity during fiscal year 2008 included the following:

The Department completed the following projects: Truck Wash Facilities, South Dade Landfill Home-Chemical Collection Center, North Dade Landfill Guardhouse Ramp, at the Resources Recovery Facility
 Fire Safety and Waste Water Plant. During fiscal year 2008, the Department contributed approximately
 \$94.4 thousand for the completion of these projects.

- Projects continued in connection with the Collection Facility Improvements, T&R Centers Improvements, West and Southwest T&R Center, Central Transfer Station Compactor-Phase II, Environmental Improvements, Disposal Facilities Improvements, Scales Replacement at Disposal Facilities, 58 Street Guardhouse & Drainage Improvements, Disposal Scalehouse Expansion Project, Disposal Facility Back-up Generator, Northeast Compactor Phase II, Northeast Transfer Station Tunnel Roof, Northeast Transfer Station Surge Pit Tipping Floor Roof, Northeast Transfer Station New Ramp, miscellaneous projects at the Resources Recovery Facility (Transformers Replacement), South Dade Ground Water Trench, South Dade Landfill Cell 5 Construction, West Transfer Station 4 Crane, West Transfer Station Tipping Floor. The projects listed herein exclude the closure projects discussed below. These projects had a combined cost of approximately \$2.3 million in fiscal year 2008.
- It should be noted that while included in the Department's capital budget, closure projects, in accordance with generally accepted accounting principles, are not capitalized upon completion; therefore, the costs of closure projects incurred in fiscal year 2008 have been excluded from property plant and equipment in the summary below. During fiscal year 2008, the Department contributed approximately \$529 thousand to these closure projects. No closure projects were completed during fiscal 2008. Additional information concerning the Department's closure and postclosure care costs for active and inactive landfills can be found in Note 10 to the financial statements.
- The capital projects completed by the Department during fiscal year 2008 totaled \$5.6 million.

During fiscal year 2008, no event or changes in circumstances occurred resulting in the unexpected significant decline in the service utility (impairment) of the Department's capital assets.

### **Long-term Debt**

Fiscal Year 2009

At September 30, 2009, the Department had approximately \$200.5 million in bonds payable and subordinate debt outstanding, as compared to approximately \$215 million at September 30, 2008. Of this \$200.5 million total, \$181 million in bonds payable are secured by a prior lien upon a pledge of the Pledged Revenues of the System (that is, Net Operating Revenues, defined by the bond documents as operating revenues reduced by operating expenses) at September 30, 2009 as compared to \$191 million at September 30, 2008. Pursuant to the bond rate covenant, the Department is required to meet debt service coverage of 120%. That is, Net Operating Revenues in each fiscal year must equal or exceed 120% of the annual principal and interest requirements on the bonds. For the year ended September 30, 2009, the Department's debt service coverage equaled 182%, as compared to 180% in the fiscal year ended September 30, 2008. This minor increase in coverage is attributed to higher Net Operating Revenues (NOR). The increase in NOR resulted from the decrease in operating expenses partially offset by decreases in operating revenues described above. The bond rate covenant permits the Net Operating Revenues in each fiscal year to be adjusted by adding amounts on deposit in the Rate Stabilization Fund as of the end of the immediately preceding fiscal year, in an amount not to exceed 20% of Net Operating Revenues. For fiscal year 2009, the calculation of debt service coverage resulting in 182% includes no adjustment to Net Operating Revenues from the Rate Stabilization Fund.

The balance of \$19.5 million in debt reflects the balance outstanding at September 30, 2009, for the County's Acquisition Special Obligations Bonds, Series 2002A, Series 2004B and Sunshine State Loans, Series I and Series I, 2006 allocated to the Department. This debt is considered subordinate debt to the Department because the County, not the Department, pledged non-ad valorem revenues or other legally available funds for the payment of these bonds. The Department deems the debt service coverage requirement for this subordinate debt to be limited to 100% of annual principal and interest on this debt. These Sunshine Loans are outstanding from the Sunshine State Governmental Financing Commission which are commercial paper obligations backed by insurance and a line of credit. In June 2008, the County restructured these loans to secure more favorable interest rates. The County opted to convert Auction Rate Bonds to a variable rate mode supported by a letter of credit from a financial institution.

Total debt decreased approximately \$14.2 million during fiscal year 2009. This decrease reflects the combined effects of debt reductions resulting from debt payments and the corresponding amortization of premium, discount, and deferred charges recorded during fiscal year 2009 which were partially offset by the accretion values recognized for the capital appreciation bonds portion of the Department's Series 2005 bonds during fiscal 2009.

During February 2005, the Department updated its bond ratings with each of the three major rating agencies. The ratings received were as follows: Aaa from Moody's Investors Service, Inc, AAA from Standard and Poor's Credit Market Services and AAA from Fitch Ratings. On September 10, 2008, Moody's Investors Service affirmed the A2 rating. On September 23, 2009, Fitch Ratings affirmed the underlying 'A' rating. As of September 30, 2009, the rating from Standard and Poor's Credit market Services had not changed.

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The summary of the Department's debt obligations at September 30, (Table V) is shown below:

## TABLE V

## Summary of the Department's Debt Obligations

## September 30, 2009

(In thousands)

	Amount Outstanding	Interest Rates
Revenue Refunding Bonds	\$ 20,704	4.0-6.0%
Revenue Bonds	160,225	3.65-5.5%
County Special Obligation Bonds	11,856	2.0-5.0%
Sunshine State Loans	7,698	Variable
Total	\$ 200,483	

### September 30, 2008

(In thousands)

	Amount Outstanding	Interest Rates
Revenue Refunding Bonds	\$ 30,034	4.0-6.0%
Revenue Bonds	161,314	3.65-5.5%
County Special Obligation Bonds	14,394	2.0-5.0%
Sunshine State Loans	8,911	Variable
Total	\$ 214,653	

## September 30, 2007

(In thousands)

	Amount Outstanding	Interest Rates
Revenue Refunding Bonds	\$ 38,840	4.0-6.0%
Revenue Bonds	162,366	3.65-5.5%
County Special Obligation Bonds	16,865	2.0-5.0%
Sunshine State Loans	10,116	Variable
Total	\$ 228,187	

Additional information concerning the Department's outstanding long-term debt and coverage calculations can be found in Note 4 to the financial statements and Table XII of the Statistical Section of this report.

## Fiscal Year 2008

At September 30, 2008, the Department had \$215 million in bonds payable and subordinate debt outstanding, as compared to \$228 million at September 30, 2007. Of this \$215 million total, \$191 million in bonds payable



are secured by a prior lien upon a pledge of the Pledged Revenues of the System (that is, Net Operating Revenues, defined by the bond documents as operating revenues reduced by operating expenses) at September 30, 2008 as compared to \$201 million at September 30, 2007. Pursuant to the bond rate covenant, the Department is required to meet debt service coverage of 120%. That is, Net Operating Revenues in each fiscal year must equal or exceed 120% of the annual principal and interest requirements on the bonds. For the year ended September 30, 2008, the Department's debt service coverage equaled 180%, as compared to 339% in the fiscal year ended September 30, 2007. This decrease in coverage is attributed to lower Net Operating Revenues (NOR). The decrease in NOR resulted from the decrease in operating revenues combined with the increase in operating expenses described above, which were moderately offset by a minor decrease in the debt service requirement. The bond rate covenant permits the Net Operating Revenues in each fiscal year to be adjusted by adding amounts on deposit in the Rate Stabilization Fund as of the end of the immediately preceding fiscal year, in an amount not to exceed 20% of Net Operating Revenues. For fiscal year 2008, the calculation of debt service coverage resulting in 180% includes no adjustment to Net Operating Revenues from the Rate Stabilization Fund.

The balance of \$24 million in debt reflects the balance outstanding at September 30, 2008, for the County's Acquisition Special Obligations Bonds, Series 2002A, Series 2004B and Sunshine State Loans, Series I and Series I, 2006 allocated to the Department. This debt is considered subordinate debt to the Department because the County, not the Department, pledged non-ad valorem revenues or other legally available funds for the payment of these bonds. The Department deems the debt service coverage requirement for this subordinate debt to be limited to 100% of annual principal and interest on this debt. These Sunshine Loans are outstanding from the Sunshine State Governmental Financing Commission which are commercial paper obligations backed by insurance and a line of credit. In June 2008, the County restructured these loans to secure more favorable interest rates. The County opted to convert Auction Rate Bonds to a variable rate mode supported by a letter of credit from a financial institution.

Total debt decreased \$13 million during fiscal year 2008. This decrease reflects the combined effects of debt reductions resulting from debt payments and the corresponding amortization of premium, discount, and deferred charges recorded during fiscal year 2008 which were partially offset by the accretion values recognized for the capital appreciation bonds portion of the Department's Series 2005 bonds during fiscal 2008.

## Economic Factors And Next Year's Budget And Rates

- Miami-Dade County's population growth for fiscal year 2009 was 1.3% as reported by Miami-Dade County Department of Planning and Zoning, Research Section. During the fiscal year ended September 30, 2009, the average annual number of household (residential) units serviced by the Department increased .15%. During the previous two fiscal years the average annual number of household units increased 1.25% and 1.27% per year (for fiscal year 2008 and fiscal year 2007, respectively). Information concerning the Department's average annual number of units can be found in Table V of the Statistical Information Section of this report.
- The number of municipal incorporations is continuing. The Department is aware that this is occurring
  but it will continue servicing the residents of the new municipalities under the current rule of law (Ordinance 96-30). This Ordinance requires those new municipalities to remain as part of the Department's
  Collection Service Area.

• The numbers of disposal equivalent revenue tons have been 1.6, 1.8 and 1.96 million for fiscal years 2009, 2008 and 2007, respectively. Information concerning the Department's disposal equivalent revenue tons can be found in Table III A of the Statistical Information Section of this report.

All these factors were considered in the preparation of the Department's budget for fiscal year 2010.

The Adopted Budget for fiscal year 2010 includes:

- A disposal contract tipping fee of \$59.77 per ton. This 1.1% decrease over fiscal year 2009, reflects the changes in the consumer price index stipulated for this fee.
- The annual fee for curbside collection remained at \$439 per household.

The balance in the Disposal Fund's Rate Stabilization Reserves was \$20.7 million as of September 30, 2009. The Adopted Budget for fiscal year 2010 does not anticipate the use of funds from Rate Stabilization.

## Request For Information

This financial report is designed to provide customers, creditors and other interested parties with a general overview of the Department's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed in writing to the Controller, Department of Solid Waste Management, 2525 NW 62 Street, 5th Floor, Miami, Florida 33147.

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2.6

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## Statements of Net Assets

ASSETS	At Septe	embe	r 30,
CURRENT ASSETS	2009		2008
	(In the	ousan	ds)
Unrestricted Assets			
Cash and cash equivalents	\$ 21,758	\$	29,526
Investments	105,864		104,187
Accounts receivable, net of allowance of \$424			
and \$1,321 respectively	10,162		13,020
Due from other governments	195		378
Other current assets	-		9
Loans receivable from other County funds	298		169
Total Unrestricted Assets	138,277		147,289
Restricted Assets			
Cash and cash equivalents	15,608		13,595
Investments	265		320
Accounts receivable	8,603		8,210
Total Restricted Assets	24,476	 	22,125
Total Current Assets	162,753		169,414
NON-CURRENT ASSETS			
Restricted Assets			
Cash and cash equivalents	31,399		20,991
Investments	97,048		114,557
Total Restricted Assets	128,447		135,548
Capital Assets			
Land	57,528		57,586
Buildings and improvements, net of depreciation	44,825		61,271
Furniture, Fixtures, Machinery and Equipment,	85,617		01 490
net of depreciation	16,323		91,489 10,387
Construction in progress	204,293		220,733
Total Capital Assets	204,293		
Other Assets			
Loans receivable from other County funds	2,219		1,349
Other	6,785		7,477
Total Other Assets	9,004		8,826
Total Non-Current Assets	341,744		365,107
TOTAL ASSETS	\$ 504,497	\$_	534,521

Continued

## Statements of Net Assets

Continued

	At September 30,			
LIABILITIES AND NET ASSETS		2009		2008
CURRENT LIABILITIES		(In tho	usand	s)
Payable from Unrestricted Assets				
Accounts payable and accrued expenses	\$	16,517	\$	17,506
Due to other County funds		1,323		5,880
Other current liabilities - compensated absences		3,922		3,811
Other current liabilities - other		646		582
Current portion of liability for closure and postclosure care costs		7,216		6,583
Total Payable from Unrestricted Assets	-	29,624		34,362
Payable from Restricted Assets				
Accrued interest payable		3,737		4,114
Current portion of bonds and notes payable		18,823		17,987
Accounts payable, restricted	_	1,916		24
Total Payable from Restricted Assets	-	24,476		22,125
Total Current Liabilities	_	54,100		56,487
LONG-TERM LIABILITIES				
Long-term portion of bonds & notes payable, net		181,660		196,666
Liability for closure & postclosure care costs		93,020		106,920
Other long-term liabilities- compensated absences		11,244		11,112
Other long-term liabilities-other		2,593		1,604
Total Long-Term Liabilities	-	288,517		316,302
Total Liabilities	_	342,617		372,789
NET ASSETS				
Invested in Capital Assets, net of Related Debt	_	39,343		39,864
Restricted for:				
Debt service		17,113		16,831
Groundwater protection		8,603		8,210
Closure grants		26,786		32,115
Rate stabilization		20,686		20,686
Operating reserve		41,567		41,093
Total Restricted	-	114,755		118,935
Unrestricted	_	7,782	_	2,933
TOTAL NET ASSETS	\$	161,880	\$_	161,732

# Statements of Revenues, Expenses and Changes in Fund Net Assets

1111 4114 1400 1100000	For the Fiscal Years ended September 30,					
		2009	2008			
		(In thousands)				
Operating Revenues						
Solid waste disposal services	\$	60,117	\$ 65,617			
Solid waste collection services		142,090	143,497			
Utility service fees		19,559	18,067			
Electricity sales		27,911	28,000			
Other operating revenues	-	15,451	15,078			
Total Operating Revenues		265,128	270,259			
Operating Expenses						
Landfill & disposal operations, net of change						
in closure & postclosure care cost estimates						
for active landfills		16,438	22,746			
Waste-to-energy		81,002	72,893			
Transfer operations		26,395	28,635			
Garbage collection		37,734	38,688			
Trash collection		16,834	17,462			
Recycling		16,250	25,250			
Litter control & County wide lot clearing		1,634	1,281			
Facility maintenance		2,281	1,900			
Enforcement and environmental compliance		8,251	7,293			
General and administrative		24,920	25,042			
Total	-	231,739	241,190			
Depreciation		32,487	35,284			
Closure & Postclosure Care Costs/(Recovery)	-					
for Inactive Landfills	-	(7,211)	2,803			
Total Operating Expenses	-	257,015				
Operating Income (Loss)	-	8,113	(9,018)			
Non-Operating Revenues (Expenses)		4 000	0.074			
Interest income		4,032	8,971			
Interest expense		(9,348)	(10,166)			
Closure grants		(5,560)	(1,041)			
Other non-operating, net	-	(67)	(389)			
Total Non-Operating Expenses, Net	-	(10,943)	(2,625)			
Contributions	-	739	216			
Transfers in	-	2,239	2,582			
Changes in Fund Net Assets		148	(8,845)			
Total Net Assets, beginning of the year		161,732	170,577			
Total Net Assets, end of the year	\$.	161,880	\$ 161,732			



## Statements of Cash Flows

Statements of Cash Flows	For the Fiscal Years ended September 30,				
		2009		2008	
		(In tho	usands)		
Cash Flows From Operating Activities:					
Cash received from fees and charges	\$	267,776	\$	274,780	
Cash paid to suppliers		(155,761)		(159,596)	
Cash paid for closure and long-term care costs		(6,010)		(3,003)	
Cash paid to employees for services	_	(73,458)	-	(70,733)	
Net cash provided by operating activities	_	32,547	-	41,448	
Cash Flows From Noncapital Financing Activities:					
Closure grants		(5,560)		(1,041)	
Hurricane expenses covered (not covered) by grant & other	_	46	_	(49)	
Net cash used by noncapital financing activities	_	(5,514)	-	(1,090)	
Cash Flows From Capital and Related Financing Activities:					
Principal payments on bonds and loans payable		(20,390)		(19,066)	
Interest paid		(8,091)		(8,898)	
Proceeds from the sale of property and equipment		1,893		2,135	
Contribution for the construction of capital assets		739		216	
Acquisition and construction of capital assets	_	(16,619)	-	(6,206)	(1)
Net cash used by capital and related financing activities	_	(42,468)	-	(31,819)	
Cash Flows From Investing Activities:					
Proceeds from sale and maturity of investments		219,064		139,468	
Purchases of investments		(203,177)		(219,064)	
Interest earned on investments		4,032		8,971	
Receipts from loan to other County fund for land purchase	_	169	-	-	
Net cash provided (used) by investing activities	_	20,088	-	(70,625)	
Net increase (decrease) in cash and cash equivalents		4,653		(62,086)	
Cash and cash equivalents, beginning of year	_	64,112	_	126,198	
Cash and cash equivalents, end of year	\$ _	68,765	\$ =	64,112	
Classified As:					
Unrestricted Assets	\$	21,758	\$	29,526	
Restricted Assets		47,007		34,586	
Total	\$	68,765	\$	64,112	

<sup>(1)</sup> Excludes \$4.6 million in equipment acquired through General Services Administration loans in fiscal years 2008.

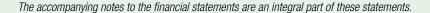
## Statements of Cash Flows

	For the Fiscal Years ended September 30,					
		2009		2008		
		(In the	ousands)			
econciliation of Operating Income (Loss) to Net cash Provided by Operating Activities:						
Operating income (loss)	\$	8,113	\$	(9,018)		
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:						
Depreciation		32,487		35,284		
Amortization/(recovery) of closure and postclosure care liability		(7,256)		7,788		
(Increase) decrease in assets:						
Accounts receivable		2,465		4,342		
Other current assets		9		467		
Due from other governments & other County funds		183		683		
Other assets		692		801		
Increase (decrease) in liabilities:						
Accounts payable and accrued expenses		903		3,505		
Other current liabilities - compensated absences		111		171		
Other current liabilities - other		64		(23)		
Due to other County funds		(335) (1)		(602)	(1)	
Liability for closure and postclosure costs—				` '		
disbursements		(6,010)		(3,003)		
Other long-term liabilities-other		989		413		
Other long-term liabilities- compensated absences		132	_	640		
Net Cash Provided by Operating Activities	\$	32,547	\$	41,448		

## Noncash Investing, Capital and Financing Activities:

The increase in the fair value of investments was approximately \$405,000 and approximately \$5,000 in fiscal years 2009 and 2008, respectively.

(1) Excludes (\$4.2) million and \$903 thousand in General Services Administration loans reflected in cash flows from capital and related financing activities in fiscal years 2009 and 2008, respectively.



# Notes to Financial Statements

September 30, 2009 and 2008

## 1. General and Summary of Significant Accounting Policies

Reporting Entity – In January 1989, the Board of County Commissioners (the "Board") of Miami-Dade County, Florida (the "County") passed Administrative Order 9-1 creating the Department of Solid Waste Management (the "Department", "DSWM"). The Department was formed by merging the Department of Solid Waste Collection with the Solid Waste Disposal Division of the Public Works Department into a single agency. The Department provides solid waste collection services for unincorporated Miami-Dade County and solid waste disposal services for all of Miami-Dade County. Under the provisions of the State of Florida 1988 Solid Waste Management Act, the County is responsible for providing sufficient solid waste disposal capacity for all of Miami-Dade County based on a defined "Level of Service Standard", as required by the 1985 State of Florida Growth Management Act.

The financial statements present only the financial position, results of operations and the cash flows of the Department, in conformity with accounting principles generally accepted in the United States of America, and are not intended to present fairly the financial position, results of operations and the cash flows of Miami-Dade County, Florida's proprietary fund types.

**Measurement Focus Basis of Accounting** – The Department operates as a self-supporting governmental enterprise fund of the County. An enterprise fund is used to account for operations that recover the cost of services provided from user charges. Accordingly, the accompanying financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting.

The accompanying financial statements combine the accounts of the Solid Waste Collection and Solid Waste Disposal Systems to provide meaningful information with respect to the Department. All significant intersystem transactions have been eliminated.

The financial statements are prepared in conformity with generally accepted accounting principles established by the Governmental Accounting Standards Board (GASB). The Department has elected not to apply certain pronouncements of the Financial Accounting Standards Board issued after November 30, 1989 as permitted by GASB Statement No. 20, Accounting and Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting.

**Budgets** – The Board of County Commissioners approves annual operating and capital outlay budgets for the Department's waste collection and waste disposal funds, through the enactment of Budget Ordinances. Expenditures are monitored at various levels of classification detail, but may not legally exceed budgeted appropriations at the fund level.

**Use of Estimates** – The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**Hurricane Related Expenses** – Hurricane expenses, if any were incurred in the accounting period, are reflected in the financial statements. To the degree these costs can be estimated, the figures have been accrued for in the periods presented.

Revenue Recognition - All waste collection and disposal revenues are recognized when the related services are provided.

**Operating and non-operating revenues** – The Department distinguishes operating revenues and expenses from non-operating items in its statements of revenues, expenses and changes in fund net assets. In general operating revenues result from charges to customers for the use of the Department's services. Operating expenses relate to the cost of providing those services including administrative expenses, depreciation and depletion of capital assets and closure and postclosure care for active and inactive landfills.

All other revenues and expenses that do not result from the Department's ongoing operations are considered to be non-operating. Non-operating items include but are not limited to investment earnings, interest expense, grants, capital contributions and hurricane expenses, if any.

**Cash and Cash Equivalents** – Cash includes cash on hand, amounts in demand deposits, and positions in investment pools that can be deposited or withdrawn without notice or penalty. Cash equivalents are short-term, highly liquid securities with known market values and maturities, when acquired, of less than three months.

**Investments** – The investments of the Department are part of the County's investment pool. Non-participating investments, such as nonnegotiable certificates of deposit with redemption values that do not consider market rates, are reported at amortized cost. Participating investments are carried at fair value, and unrealized gains and losses due to variations in fair value are recognized during the year.

**Restricted Assets** – The use of certain assets is restricted by specific bond covenants and other legal requirements. Assets so designated are identified as restricted assets on the statements of net assets.

**Application of restricted and unrestricted resources** – The Department's policy when both restricted and unrestricted resources are available to be used for a certain purpose is to use restricted resources first, and then use unrestricted resources as needed.

Capital Assets and Depreciation – Property, plant and equipment are capitalized at cost, when cost exceeds \$1,000. Contributions by third parties are recorded at their fair value on the date of contribution. Expenditures for maintenance, repairs and minor renewals and betterments are expensed as incurred. At the time properties are retired or otherwise disposed of, the cost and any related contributed capital are eliminated from the accounts, and any gain or loss on the transaction is reflected in the statements of revenues, expenses and changes in fund net assets.

Leases that transfer substantially all the benefits and risks of ownership are classified as *capital leases*, and require the lessee to record the assets acquired and the related long-term liability for the lease at the present value of the future minimum lease payments.

Annualized depreciation expense (including depreciation on contributed assets), expressed as a percentage of depreciable property, plant and equipment was 5.35% and 5.8% for the fiscal years ended September 30, 2009

and 2008, respectively. The Department utilizes the straight-line depreciation method of depreciation over the estimated useful lives of the assets, which are as follows:

	Years
Buildings and improvements	10-25
Machinery and equipment	5-10

Loans Receivable from Other County Funds – In fiscal year 2008, the Department made a loan to the Miami-Dade County Parks Department for the acquisition of a 33.58 acre portion of the DSWM-owned NW 58th Street Landfill property, to be repaid in 10 annual installments of \$168,640. Approximately \$337 thousand had been repaid as of September 30, 2009, leaving a remaining balance of \$1.35 million. During fiscal year 2009, the Department made another loan for the acquisition of a 19.81 acre portion of the DSWM-owned NW 58 Street Landfill to the Miami-Dade Police Department. This loan calls for ten annual installments of \$129,796. The Police Department made the first payment at the inception of the loan, leaving a remaining balance of approximately \$1.2 million, as of September 30, 2009.

**Munisport Closure Grant** – On March 26, 2004, the County and the City of North Miami, Florida (the "City") entered into a grant agreement (the "Agreement"). Under the Agreement, the County agreed to provide certain grant funds to the City for the cost of financing the remediation and closure of the City's Munisport Landfill Site ("Munisport"). Therefore in fiscal year 2005, the Department transferred \$31.2 million to an interest bearing escrow account for the purposes set forth in the Agreement.

The terms of the Agreement prescribe reimbursement to the City from the escrow account based on invoices or draw requests for eligible costs. Because of the cost-reimbursement nature of the Agreement, the Department recognizes grant expenses as the City incurs and presents documentation for reimbursement of eligible reimbursable costs.

During Fiscal Year 2009, no reimbursable costs were incurred by the City, leaving a remaining balance of approximately \$26 million (after recognizing approximately \$113 thousand in investment income for fiscal year 2009) at September 30, 2009. The escrow account balance is reported as part of "cash with fiscal agent" in the Department's financial statements.

During Fiscal Year 2008, no reimbursable costs were incurred by the City, leaving a remaining balance of approximately \$25.8 million (after recognizing approximately \$631 thousand in investment income for fiscal year 2008) at September 30, 2008. The escrow account balance is reported as part of "cash with fiscal agent" in the Department's financial statements.

Homestead Closure Grant – On November 20, 2006, the County and the City of Homestead, Florida ("Homestead") entered into a grant agreement (the "Agreement"). This Landfill Closure Grant Agreement substituted all prior grant agreements between the County and Homestead. Upon the execution of a solid waste disposal services extension agreement by Homestead, which will be valid through October 1, 2025, the County and Homestead created and the County funded an escrow account in the amount of \$7,500,000 for the purposes of (1) construction, operation, remediation and closure of the Landfill required by the Miami-Dade Department of Environmental Resources Management (DERM); and (2) payment of all or any part of the principal and interest on any short or long term indebtedness owed by Homestead for construction, operation, remediation and closure of the Landfill required pursuant to item (1) above. On January 22, 2007, the Department transferred \$7.5 million to an interest bearing escrow account for the purposes set forth in the Agreement. The terms of the

Agreement prescribe reimbursement to Homestead from the escrow account based on invoices or draw requests for eligible costs. Because of the cost-reimbursement nature of the Agreement, the Department recognizes grant expenses as Homestead incurs and presents documentation for reimbursement of eligible reimbursable costs.

During Fiscal Year 2009, approximately \$5.5 million had been reimbursed to the City for eligible costs, leaving a remaining balance of approximately \$718 thousand (after recognizing approximately \$25 thousand in investment income for fiscal year 2009) at September 30, 2009. The escrow account balance is reported as part of "cash with fiscal agent" in the Department's financial statements.

During Fiscal Year 2008, approximately \$1 million had been reimbursed to the City for eligible costs, leaving a remaining balance of approximately \$6.3 million (after recognizing approximately \$182 thousand in investment income for fiscal year 2008) at September 30, 2008. The escrow account balance is reported as part of "cash with fiscal agent" in the Department's financial statements.

**Interest on Indebtedness** - Interest is charged to expense as incurred except for interest related to borrowings used for qualified construction projects, which is capitalized, net of interest earned on the construction funds borrowed. Interest expense for the fiscal years ended September 30, 2009 and 2008 was \$9 million and \$10 million, respectively. These amounts are net of capitalizable interest totaling \$184 thousand and \$70 thousand in fiscal years 2009 and 2008, respectively.

**Bond Premium, Deferred Charges and Issuance Costs** - Premiums on bonds and notes payable are amortized using the straight-line method over the life of the related bond issues since, in the opinion of management, the results are not significantly different than those obtained by using the effective interest method of amortization. Bond issuance costs and deferred charges are capitalized and amortized over the life of the bonds.

**Grants from Government Agencies -** The Department records grants when all eligibility requirements are met under the appropriate grant terms. This normally occurs as amounts are expended and become reimbursable from the granting agency.

**Pension Plan -** The Department contributes to the Florida Retirement System, a cost-sharing multi-employer plan. Contributions are expensed as incurred (see Note 7). The Department adopted the provisions of GASB Statement No. 45 – Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions in fiscal year 2008 (see Note 8).

**Compensated Absences** - The Department accounts for compensated absences by accruing a liability in accordance with GASB Statement No. 16, Accounting for Compensated Absences. This liability is based on the employees' right to receive compensation for future absences at the time of the absence, or upon termination or retirement.

**Cost Allocation -** Certain engineering overhead and other costs are allocated between capital projects and operating expenses based on direct labor costs.

**Contributions** – Miami-Dade County General Obligation Bonds (GOB) includes a provision to assist with the construction of South Dade Landfill Cell 5. Construction commenced in fiscal year 2008. During the fiscal

year ended September 30, 2009 and 2008 the total contributions made by GOB bonds were approximately \$739 thousand and \$216 thousand, respectively.

## 2. Cash, Cash Equivalents and Investments

## **Deposits and Investments**

Miami-Dade County ("the County") is authorized through Florida Statutes §218.415, Ordinance No. 84-47, Resolution R-31-09 and its Investment Policy to make certain investments. The Investment Policy was updated and adopted on January 22, 2009 in response to current and possible uncertainties in the domestic and international financial markets. The County's overall investment objectives are, in order of priority, the safety of principal, liquidity of funds and maximizing investment income.

The County pools substantially all cash, cash equivalents and investments, except for those amounts that are required to be held in trust or escrow accounts pursuant to bond ordinances. The Department's share of the total pooled cash and investments is segregated between "Cash and Cash Equivalents" and "Investments" on the accompanying statements of net assets in proportion to the percentages contained in the County's analysis of its pooled cash. Interest earned on pooled cash and investments is allocated to the Department based upon its average daily balance in those assets during the allocation period.

All cash deposits are held in qualified public depositories pursuant to the Florida Security for Public Deposits Act (the "Act"), Chapter 280 Florida Statutes. These deposits are considered fully insured since the Act requires all qualified public depositories to pledge, as security, eligible collateral with a market value equal to or greater than the average daily or monthly balance of all public deposits multiplied by the depository's collateral pledging level. The pledging level ranges from 50% to 125% depending upon the depository's financial condition and establishment period. All collateral must be deposited with a State approved financial institution. Any losses to public depositors are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessments against other qualified public depositories of the same type as the depository in default.

As a rule, the County intends to hold all purchased securities until their final maturity date. There may be occasional exceptions, including, but not limited to the need to sell securities to meet unexpected liquidity needs. Included in cash and cash equivalents are funds held as cash with fiscal agent pursuant to the Munisport and City of Homestead Closure Grants (see Note 1). As of September 30, 2009 the total balance of Closure Grant Funds is held as money market accounts. During Fiscal Year 2008, a portion of these Closure Grant Funds was invested in treasury notes and the other portion was held as money market accounts. All these Closure Grant Funds are classified as restricted assets in the financial statements herein. None of these Closure Grant Funds are part of the County's pool. Therefore, the information herein regarding the County's pool about risk and other does not apply to these Closure Grant Funds. These items are identified on page 37.

At September 30, 2009, and September 30, 2008 the carrying value of the Department's share of the County's pooled cash and cash equivalents and investments, as well as cash with fiscal agent included the following:

2009
Fair Value
n Thousands)

		nvestments	Cash and Cash Equivalents	_	Total
Federal Home Loan Mortgage Corporation	\$	45,736	\$ -	\$	45,736
Federal Home Loan Bank		43,636	1,710		45,346
Federal Farm Credit Bank		46,309	20		46,329
Fannie Mae		47,923	3,266		51,189
Money Market (includes \$26.8M of Closure Grants Funds)		-	26,931		26,931
Time Deposits		-	819		819
Treasury Bills		18,671	-		18,671
Treasury Notes		902	-		902
Petty cash		-	2		2
Government Money Market	_	-	36,017	_	36,017
Total	\$_	203,177	\$ 68,765	\$_	271,942

## 2008 Fair Value (In Thousands)

	<u>_1</u>	nvestments	Cash and Cash quivalents	_	Total
Federal Home Loan Mortgage Corporation	\$	22,682	\$ 170	\$	22,852
Federal Home Loan Bank		53,229	9,876		63,105
Federal Farm Credit Bank		24,382	1,238		25,620
Fannie Mae		59,264	-		59,264
Money Market (Funds related to Closure Grants)		-	8,625		8,625
Time Deposits		-	2,839		2,839
Treasury Bills		29,459	2,263		31,722
Treasury Notes (includes \$23.6M of Closure Grants Funds)		24,769	-		24,769
Petty cash		-	2		2
Commercial Paper		5,279	39,099		44,378
Total	\$	219,064	\$ 64,112	\$	283,176

#### Credit Risk

The County's Investment Policy (the Policy), minimizes credit risk by restricting authorized investments to: Local Government Surplus Funds Trust Fund or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act; Securities and Exchange Commission (SEC) registered money market funds with the highest credit quality rating from a nationally recognized rating agency; interest-bearing time deposits or savings accounts in qualified public depositories, pursuant to Florida Statutes §280.02, which are defined as banks, savings bank, or savings association organized under the laws of the United States with an office in the State of Florida that is authorized to receive deposits, and has deposit insurance under the provisions of the Federal Deposit Insurance Act; direct obligations of the United States Treasury; federal agencies and instrumentalities; securities of, or other interests in, any open-end or closedend management-type investment company or investment trust registered under the Investment Company Act of 1940, provided that the portfolio is limited to the obligations of the United States government or any agency or instrumentality thereof and to repurchase agreements fully collateralized by such United States government obligations, and provided that such investment company or investment trust takes delivery of such collateral either directly or through an authorized custodian; Commercial paper of prime quality with a stated maturity of 270 days or less from the date of its issuance, which has the highest letter and numerical rating as provided for by at least two rating agencies which are Standard & Poor's (A1), Moody's (P1), or Fitch (F1); Bankers Acceptances which have a stated maturity of 180 days or less from the date of its issuance, and have the highest letter and numerical rating as provided for by at least two nationally recognized rating agencies (as noted for commercial paper above), and are drawn on and accepted by commercial banks and which are eligible for purchase by the Federal Reserve Bank; Investments in Repurchase Agreements ("Repos") collateralized by securities authorized by this policy. All Repos shall be governed by a standard Securities Industry and Financial Markets Association (SIFMA) Master Repurchase Agreement; municipal securities issued by U.S. state or local governments, having at time of purchase, a stand-alone credit rating of AA or better assigned by two or more recognized credit rating agencies or a short-term credit rating of A1/P1 or equivalent from one or more recognized credit rating agencies.

Securities Lending - Securities or investments purchased or held under the provisions of this section may be loaned to securities dealers or financial institutions provided the loan is collateralized by cash or securities having a market value of at least 102% of the market value of the securities loaned upon initiation of the transaction.

The table below summarizes the investments by type, provides the fair value and insured credit rating at September 30, 2009 and September 30, 2008:

Investment Type	(	2009 Fair Value In Thousands)	Credit Rating
Federal Home Loan Mortgage Corporation	\$	45,736	AAA
Federal Home Loan Bank		43,636	AAA
Federal Farm Credit Bank		46,309	AAA
Fannie Mae		47,923	AAA
Treasury Bills		18,671	-
Treasury Notes		902	-
Total	\$	203,177	
	<del></del>		

Investment Type		2008 Fair Value (In Thousands)	Credit Rating	
Federal Home Loan Mortgage Corporation	\$	22,682	AAA	
Federal Home Loan Bank		53,229	AAA	
Federal Farm Credit Bank		24,382	AAA	
Fannie Mae		59,264	AAA	
Treasury Bills		29,459		
Treasury Notes (includes \$23.6M of Closure Grant Funds)		24,769	-	
Commercial Paper		5,279	A1/P1	
Total	\$_	219,064		

### **Custodial Credit Risk**

The Policy requires that time deposits made in banks and savings and loan associations must be made with qualified public depositories in accordance with Chapter 280, Florida Statutes. The County deposits funds only in qualified public depositories, pursuant to Florida Statutes 280.02, which are defined as banks, savings banks, or savings associations organized under the laws of the United States with an office in the State of Florida that is authorized to receive deposits, and has deposit insurance under the provisions of the FDIC. At September 30, 2009 all of the County's bank deposits were in qualified public depositories and as such the deposits are not exposed to custodial credit risks.

Securities may be purchased only through financial institutions that are state-certified public depositories. For third-party custodial agreements, the County will execute a Custodial Safekeeping Agreement with a commercial bank. All securities purchased and/or collateral obtained by the County shall be the property of the County and be held apart from the assets of the financial institution.

### Concentration of Credit Risk

The Policy establishes limitations on portfolio composition by investment type and by issuer to limit its exposure to concentration of credit risk. The Policy provides that a maximum of 50% of the portfolio may be invested in the State of Florida Local Government Surplus Trust Fund (the "Pool"); however, bond proceeds may be temporarily deposited in the Pool until alternative investments have been purchased. Prior to any investment in the Pool, approval must be received from the Board of County Commissioners. A maximum of 30% of the portfolio may be invested in SEC registered money market funds with no more than 10% to any single money market fund. A maximum of 20% of the portfolio may be invested in interest bearing time deposits or demand accounts with no more than 5% deposited with any one issuer.

There is no limit on the percent of the total portfolio that may be invested in direct obligations of the U.S. Treasury or federal agencies and instrumentalities, with no limits on individual issuers (investment in agencies containing call options shall be limited to a maximum of 25% of the total portfolio). A maximum of 5% of the portfolio may be invested in open-end or closed-end funds. A maximum of 50% of the portfolio may be invested

in prime commercial paper with a maximum of 5% with any one issuer. A maximum of 25% of the portfolio may be invested in bankers acceptances with a maximum of 10% with any one issuer, but a maximum of 60% of the portfolio may be invested in both commercial paper and bankers acceptances.

A maximum of 20% of the portfolio may be invested in repurchase agreements with the exception of one (1) business day agreements, with a maximum of 10% of the portfolio in any one institution or dealer with the exception of one (1) business day agreements. Investments in derivative products shall be prohibited by Miami-Dade County. A maximum of 25% of the portfolio may be directly invested in municipal obligations, up to 5% with any one municipal issuer.

As of September 30, 2009, and September 30, 2008 the following issuers held 5% or more of the cash and cash equivalents and investments as a percentage of the total portfolio:

Issuer	2009 Fair Value (In Thousands)		
Federal Farm Credit Bank	\$	46,329	17%
Federal Home Loan Bank		45,346	17%
Federal Home Loan Mortgage Corporation		45,736	17%
Fannie Mae		51,189	19%

Issuer	 2008 Fair Value (In Thousands)	% of Portfolio
Treasury Bills	\$ 31,722	11%
Commercial Paper	44,378	16%
Fannie Mae	59,264	21%
Federal Home Loan Bank	63,105	22%

The above excludes investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds and external investment pools.

#### **Interest Rate Risk**

The Policy limits interest rate risk by requiring the matching of known cash needs and anticipated net cash outflow requirements; following historical spread relationships between different security types and issuers; evaluating both interest rate forecasts and maturity dates to consider short-term market expectations. The Policy requires that investments made with current operating funds shall maintain a weighted average of no longer than 1 year. Investments for bond reserves, construction funds and other non-operating funds shall have a term appropriate to the need for funds and in accordance with debt covenants. The Policy limits the maturity of an investment to a maximum of 5 years.

As of September 30, 2009 and September 30, 2008 the County has the following cash and cash equivalents and investments with the respective weighted average maturity in years:

Investment Type	2009 Fair Value (In Thousands)	Weighted Average in Years	
Federal Home Loan Mortgage Corporation	\$ 45,736	1.01	
Federal Home Loan Bank	45,346	0.79	
Federal Farm Credit Bank	46,329	1.56	
Fannie Mae	51,189	0.67	
Money Market (includes \$26.8M of Closure Grants Funds)	26,931	0.00	
Time Deposits	819	0.42	
Treasury Bills	18,671	0.62	
Treasury Notes	902	0.62	
Government Money Market	36,017	0.00	

Investment Type	2008 Fair Value (In Thousands)	Weighted Average in Years	
Federal Home Loan Mortgage Corporation	\$ 22,852	1.23	
Federal Home Loan Bank	63,105	0.52	
Federal Farm Credit Bank	25,620	1.27	
Fannie Mae	59,264	0.70	
Money Market (Funds related to Closure Grants)	8,625	0.00	
Time Deposits	2,839	0.34	
Treasury Bills	31,722	0.60	
Treasury Notes (includes \$23.6M of Closure Grants Funds)	24,769	0.00	
Commercial Paper	44,378	0.03	

## Foreign Currency Risk

The Policy limits the County's foreign currency risk by excluding foreign investments as an investment option.

## 3. Property, Plant and Equipment

Capital assets activity for each of the years ended September 30, 2009 and September 30, 2008 was as follows: (In Thousands)

	(iii Tilou	sailusj	
Balance at 10/1/2008	Additions	Deletions	Balance at 9/30/2009
\$ 57,586	\$	\$ 58	\$ 57,528
10,387	11,793	5,857	16,323
67,973	11,793 (1)	5,915	73,851
507			507
310,022			310,022
310,529			310,529
134,201			134,201
51,263	684	154	51,793
107,934	9,808	7,711	110,031
1,089			1,089
160,286	10,492	7,865	162,913
605,016	10,492 (1)	7,865	607,643
258,257	8,640		266,897
125,202	7,806		133,008
68,797	16,041	7,542	77,296
452,256	32,487	7,542	477,201
152,760	(21,995)	323	130,442
\$	\$(10,202)	\$6,238	\$ 204,293
	\$ 57,586 10,387 67,973 507 310,022 310,529 134,201 51,263 107,934 1,089 160,286 605,016 258,257 125,202 68,797 452,256 152,760	Balance at 10/1/2008       Additions         \$ 57,586       \$         10,387       11,793         67,973       11,793         310,022       -         310,529       -         51,263       684         107,934       9,808         1,089       160,286       10,492         605,016       10,492       (1)         258,257       8,640         125,202       7,806         68,797       16,041         452,256       32,487         152,760       (21,995)	10/1/2008       Additions       Deletions         \$ 57,586       \$ 58         10,387       11,793       5,857         67,973       11,793       (1)       5,915         507       310,022

<sup>(1)</sup> Includes \$5.9 million in additions for closure (which have been reclassed to liability for closure and post closure care costs) and \$200 thousand in capitalized interest.

Continued

## (In Thousands)

		(111 111)	Janus,	
	Balance at 10/1/2007	Additions	Deletions	Balance at 9/30/2008
Land	\$ 57,686	\$ 0	\$ 100	\$ 57,586
Construction in Progress	13,632	2,897	6,142	10,387
Total Non-depreciable Assets	71,318	2,897	6,242	67,973
Building & Building Improvements				
Authorized Impr. (Contributed Assets)	507	-	-	507
Buildings	307,782	2,240	-	310,022
Total Buildings & Improvements	308,289	2,240		310,529
Other Improvements (Incl. Landfills)	134,201			134,201
Furniture, Fixtures, Machinery & Equipment				
Machinery, Equipment & Furniture	47,110	4,305	152	51,263
Automotive Equipment	107,071	6,937	6,074	107,934
Other Capitalizable Items	1,089		<u>-</u>	1,089
Total Furn,Fix, Machinery & Equipment	155,270	11,242	6,226	160,286
Total Depreciable Assets	597,760	13,482 (1)	6,226	605,016
Less Accumulated Depreciation for:				
Buildings & Building Improvements	247,201	11,056	-	258,257
Other Improvements	116,391	8,811	-	125,202
Furn, Fixtures, Machinery & Equipment	59,029	15,417	5,649	68,797
Total Accumulated Depreciation	422,621	35,284	5,649	452,256
Total Depreciable Assets, Net	175,139	(21,802)	577	152,760
Total Capital Assets, Net	\$\$	\$(18,905)	\$6,819	\$ 220,733

<sup>(1)</sup> Includes \$4.6 million in equipment acquired through General Services Administration loans and \$5.6 million in capital projects (which were reclassified from construction work in progress) completed in fiscal year 2008.



## 4. Long-Term Debt

Long-term debt includes various bonds, loans and notes payable which have been issued or approved by the County for the construction and improvement of the Department's waste collection and disposal infrastructure, for the defeasance of outstanding debt and for the acquisition of certain machinery and equipment. See Note 5, Restricted Assets, for a discussion of the accounts used in accounting for proceeds and collateral pledged as a result of the issuance of the various forms of debt.

General covenants, along with debt service requirements, are as follows:

**Miami-Dade County Revenue Bonds Series 2005** - On April 21, 2005, the County issued \$73.507 million of Miami-Dade County Solid Waste System Revenue Bonds Series 2005 ("the Series 2005 Revenue Bonds").

The Series 2005 Revenue Bonds are secured by the net operating revenues of the Department, with principal payable annually on October 1 through the year 2030, along with semiannual interest payable on April 1 and October 1, with interest rates ranging from 4.04% to 5.25%. A portion of these bonds were sold as capital appreciation bonds (\$34,996,583 original principal amount) and others were sold as current interest bonds (principal amount \$23,795,000). The required net operating revenue coverage ratio of 1.2 times the current year's debt service was met for fiscal year 2009 and 2008.

The proceeds of \$76.042 million, including the bond premium, were for the purpose of (1) paying or reimbursing the County for the costs of certain solid waste disposal projects (such as closure of former Munisport Landfill located in the City of North Miami \$31.027 million; closure of former municipal landfill located in the City of Homestead \$7.5 million; closure of Cell Three located at the South Miami-Dade Landfill \$6.708 million; closure of former Virginia Key Landfill located in the City of Miami, Phase 1 \$27.635 million; closure study of former Virginia Key Landfill located in the City of Miami \$650,000; and construction of groundwater remediation project at the North Miami-Dade Landfill \$1.48 million), and (2) pay the costs of issuance for the Series 2005 Revenue Bonds including premiums for a municipal bond insurance policy and a surety bond.

**Miami-Dade County Revenue Bonds Series 2001** - On February 28, 2001, the County issued \$40.395 million of Miami-Dade County Solid Waste System Revenue Bonds Series 2001 ("the Series 2001 Revenue Bonds").

The Series 2001 Revenue Bonds are secured by the net operating revenues of the Department, with principal payable annually on October 1 through the year 2020, along with semiannual interest payable on April 1 and October 1, with interest rates ranging from 4.375% to 5.50%. The required net operating revenue coverage ratio of 1.2 times the current year's debt service was met for fiscal years 2009 and 2008.

The proceeds of \$41.147 million, including the bond premium, were used to: (1) pay \$40 million of the Costs for the 1997 Project (such portion of the Costs of the 1997 Project constituting a Project for purposes of the Series 2001 Resolution), and (2) pay the costs of issuance for the Series 2001 Revenue Bonds including premiums for a municipal bond insurance policy and a surety bond.

**Miami-Dade County Revenue Bonds Series 1998** - On August 19, 1998, the County issued \$60 million of Miami-Dade County Solid Waste System Revenue Bonds Series 1998.

The Series 1998 Revenue Bonds are secured by the net operating revenues of the Department, with principal payable annually on October 1 through the year 2018, along with semiannual interest payable on April 1 and October 1, with interest rates ranging from 3.65% to 5.1%. The required net operating revenue coverage ratio of 1.2 times the current year's debt service was met for fiscal years 2009 and 2008.

The proceeds of \$59.1 million were used to: (1) pay the principal balance of \$50 million on the Dade County, Florida Solid Waste System Bond Anticipation Notes, Series 1997 which matured on September 1, 1998 (2) provide \$7.758 million for capital expenditures, and (3) pay the costs of issuance for the Series 1998 Revenue Bonds including premiums for a municipal bond insurance policy and a surety bond.

**Dade County Revenue Refunding Bonds Series 1996** - On January 7, 1997, the County issued \$109.5 million of Dade County Solid Waste System Revenue Refunding Bonds Series 1996.

The Series 1996 Refunding Bonds are secured by the net operating revenues of the Department and are due serially on October 1 through the year 2010, with semiannual interest due on April 1 and October 1, with interest rates ranging from 4.0% to 6.0%. The required net operating revenue coverage ratio of 1.2 times the current year's debt service was met for fiscal years 2009 and 2008.

The net proceeds of \$108.8 million, together with the \$45.4 million released from reserves related to the refunded obligations and a \$6 million contribution from the Department were used to: (1) pay the balance of \$43.2 million on the Series J State Bond Loan (2) purchase \$116.2 million in U. S. Treasury securities to provide for all future debt service payments on the Series 1985A Dade County Waste System Special Obligation Revenue Bonds and the Series 1986 Dade County Solid Waste System Special Obligation Revenue Refunding Bonds (3) pay the costs of issuance for the Series 1996 Refunding Bonds including premiums for a municipal bond insurance policy and a surety bond. The U. S. Treasury securities were placed in an irrevocable trust with an escrow agent. Accordingly, the refunded obligations totaling \$15.9 million for Series 1985A and \$95.2 million for Series 1986 are considered to be defeased, and the assets held in trust and the liability for the defeased debt have not been included in the accompanying financial statements. As of September 30, 2009, there were no balances outstanding from the defeased Series 1985A and Series 1986.

### Other Long-Term Debt

Miami-Dade County Capital Asset Acquisition Bond Series 2004B - On September 29, 2004, the County issued Acquisition Special Obligation Bonds Series 2004B ("the Series 2004B Bonds") of which \$2.945 million was allocated to the Department of Solid Waste Management. Under the Bond Ordinance, the County has covenanted and agreed to annually budget and appropriate in its Annual Budget, by amendment, if required and to the extent permitted and in accordance with budgetary procedures provided by the laws of the State, and to pay when due directly into the appropriate fund or account created in the Bond Ordinance or to the Bond Insurer or provider of a Reserve Facility directly, as the case may be, sufficient amounts of legally available non-ad valorem revenues or other legally available funds sufficient to satisfy principal of, premium, if any, and interest on the Bonds, as the same become due and payable.

The Department will pay the County for its share of the annual principal due on the bonds starting April 1, 2006 through the year 2016, along with its share of the semiannual interest payable on April 1 and October 1 (starting April 1, 2005). Interest rates on the bonds ranged from 2.25% to 5.00%.

The Department's share of the bond proceeds of \$3.046 million, including a bond premium of \$101 thousand, was used to: (1) pay \$3.0 million for the purchase and improvement of certain Capital Assets owned by the County, and (2) pay the costs of issuance for the series 2004B Capital Asset Acquisition Bonds including premiums for a municipal bond insurance policy and a surety bond.

Miami-Dade County Capital Asset Acquisition Bond Series 2002A - On September 19, 2002, the County issued Acquisition Special Obligation Bonds Series 2002A ("the Series 2002A Bonds") of which \$21.045 million was allocated to the Department of Solid Waste Management. Under the Bond Ordinance, the County has covenanted and agreed to annually budget and appropriate in its Annual Budget, by amendment, if required and to the extent permitted and in accordance with budgetary procedures provided by the laws of the State, and to pay when due directly into the appropriate fund or account created in the Bond Ordinance or to the Bond Insurer or provider of a Reserve Facility directly, as the case may be, sufficient amounts of legally available non-ad valorem revenues or other legally available funds sufficient to satisfy principal of, premium, if any, and interest on the Bonds, as the same become due and payable.

The Department will pay the County for its share of the annual principal due on the bonds starting April 1, 2004 through the year 2013, along with its share of the semiannual interest payable on April 1 and October 1. Interest rates on the bonds ranged from 2.00% to 5.00%.

The Department's share of the bond proceeds of \$23.120 million, including a bond premium of \$2.07 million, was used to: (1) pay \$22.8 million for the purchase and improvement of certain Capital Assets owned by the County, and (2) pay the costs of issuance for the series 2002A Capital Asset Acquisition Bonds including premiums for a municipal bond insurance policy and a surety bond.

**Sunshine State Loans Series I, 2006** - On July 6, 2006, the Board of County Commissioners approved an ordinance authorizing the County to incur indebtedness in an aggregate principal amount not to exceed \$100,000,000 in the form of a loan from the Sunshine State Governmental Financing Commission (the "Commission"), for the purpose of paying or reimbursing the cost of certain capital expenditures; providing that such loan shall be secured by covenant to budget and appropriate from legally available non-ad valorem revenues of the County.

On September 7, 2006, the County, on behalf of the Department entered into such loan agreement with the Commission in the amount of \$2.1 million. The 2006 Sunshine State Loan is a fully amortized loan with principal due annually beginning September 1, 2007 through its scheduled maturity date September 1, 2016. Such loan bears interest at a variable rate. The interest rate for this loan during fiscal year 2009 was 2.26%.

On June 2, 2008, the Sunshine State Governmental Financing Commission restructured the Miami Dade Loans under the Commercial Paper Program in the amount of \$530,638,000 with the substitution of DEPFA, as the letter of credit provider to DEXIA CREDIT LOCAL. DEXIA has provided a three-year letter of credit which expires on June 2, 2011. The major difference between the old debt agreements and the new debt agreements was the acquisition of a letter of credit. The Letter of Credit is for a three year period (June 2, 2008 through June 2, 2011). Pursuant to the terms of the loan agreements, in the event that the credit facility provider does not extend the term of the credit facility and the County and the Sunshine State Governmental Financing Commission are unable to provide an alternate credit facility, the County shall prepay the loan in

full, by paying the then allocable optional prepayment price, on or before 60 days prior to the expiration of the credit facility. The restructuring had no effect on the terms, principal payments or amortization of the loans. The restructuring of the 1986 Program was completed on August 1, 2008. This restructuring replaced AMBAC Assurance Corporation as the Credit Facility on the Bonds with a direct pay letter of credit from DEXIA CREDIT LOCAL. The initial term of the Dexia's letter of credit commitment is two years. Rates have dramatically improved dropping from over 8% to initially 2.4% during the first week following the restructuring. Ongoing program costs are under 48 basis points, the bulk of which are letter of credit fees. In addition to replacing the credit facility with this program restructuring, the bond mode was changed from a daily mode to a weekly mode. As of September 30, 2009 and 2008, the County had not allocated any fees or issuance costs to the Department in connection with this restructure.

**Sunshine State Loans Series I, 2005** - On July 7, 2005, the Board of County Commissioners approved an ordinance authorizing the County to incur indebtedness in an aggregate principal amount not to exceed \$71,000,000 in the form of a loan from the Sunshine State Governmental Financing Commission (the "Commission"), for the purpose of paying or reimbursing cost of certain capital expenditures; providing that such loan shall be secured by covenant to budget and appropriate from legally available non-ad valorem revenues of the County.

On August 16, 2005, the County, on behalf of the Department entered into such loan agreement with the Commission in the amount of \$10.3 million. The 2005 Sunshine State Loan is a fully amortized loan with principal due annually beginning September 1, 2006 through its scheduled maturity date September 1, 2015. Such loan bears interest at a variable rate. The interest rate for this loan during fiscal year 2009 was 2.25%.

On June 2, 2008, the Sunshine State Governmental Financing Commission restructured the Miami Dade Loans under the Commercial Paper Program in the amount of \$530,638,000 with the substitution of DEPFA, as the letter of credit provider to DEXIA CREDIT LOCAL. DEXIA has provided a three-year letter of credit which expires on June 2, 2011. The major difference between the old debt agreements and the new debt agreements was the acquisition of a letter of credit. The Letter of Credit is for a three year period (June 2, 2008 through June 2, 2011). Pursuant to the terms of the loan agreements, in the event that the credit facility provider does not extend the term of the credit facility and the County and the Sunshine State Governmental Financing Commission are unable to provide an alternate credit facility, the County shall prepay the loan in full, by paying the then allocable optional prepayment price, on or before 60 days prior to the expiration of the credit facility. The restructuring had no effect on the terms, principal payments or amortization of the loans.

The restructuring of the 1986 Program was completed on August 1, 2008. This restructuring replaced AMBAC Assurance Corporation as the Credit Facility on the Bonds with a direct pay letter of credit from DEXIA CRED-IT LOCAL. The initial term of the Dexia's letter of credit commitment is two years. Rates have dramatically improved dropping from over 8% to initially 2.4% during the first week following the restructuring. Ongoing program costs are under 48 basis points, the bulk of which are letter of credit fees. In addition to replacing the credit facility with this program restructuring, the bond mode was changed from a daily mode to a weekly mode. As of September 30, 2009 and 2008, the County had not allocated any fees or issuance costs to the Department in connection with this restructure.

**Debt Service Requirements -** The Department's debt service requirements to maturity, net of the current portion, current value of deferred charges and unamortized premium/discount at September 30, 2009, are as follows:

		(Ir	n Thousand	ls)	
Maturing in Fiscal Year	Principal		Interest		Total
2010	\$ 17,602	\$	7,121		\$ 24,723
2011	18,480		6,315		24,795
2012	16,055		7,410		23,465
2013	15,925		7,287		23,212
2014	13,056		7,162		20,218
2015-2019	59,244		30,921		90,165
2020-2024	29,525		8,831		38,356
2025-2029	16,145		4,240		20,385
2030-2031	7,745		412		8,157
Subtotal	\$ 193,777	\$	79,699		\$ 273,476
Deferred Charges	(440)				(440)
Unaccreted value	(2,946)				(2,946)
Accretions to date			(7,509)		(7,509)
Unamortized Premium/Discount, net	2,394				2,394
Sunshine State Loan Series I, 2005	6,174		1,080	(1)	7,254
Sunshine State Loan Series I, 2006	1,524		270	(2)	1,794
Current Portion	(18,823)				(18,823)
Total Debt, net of current portion	\$ 181,660	\$	73,540		\$ 255,200

- (1) The interest rate herein is based on 5.00% per annum. The actual interest rate is variable.
- (2) The interest rate herein is based on 4.25% per annum. The actual interest rate is variable.

Refer to Note 12 for additional information regarding beginning balance, additions, reductions and ending balance.

### Sunshine State Loan Series I, 2005

		(I	n Thousands	s)	
Maturing in Fiscal Year	Principal		Interest		Total
2010	\$ 1,029	\$	309		\$ 1,338
2011	1,029		257		1,286
2012	1,029		206		1,235
2013	1,029		154		1,183
2014-2015	2,058		154		2,212
Total	\$ 6,174	\$	1,080		\$ 7,254

### Sunshine State Loan Series I, 2006

			(In	Thousands	)		
Maturing in Fiscal Year	Principal		Interest			Total	
2010	\$	192	\$	65		\$ 257	
2011		199		57		256	
2012		208		48		256	
2013		217		39		256	
2014-2016		708		61		769	
Total	\$	1,524	\$	270		\$ 1,794	

### Summary of Outstanding Debt (In thousands):

Summary of Outstanding Debt (In thousands)	):	A		_	
Description	Rate	Amount Issued	Maturity Date		Balance Outstanding
96 Refunding Bonds	4-6%	\$ 109,550	10/1/2010	\$	\$21,060
Plus: Unamortized Premium Less:					84
Deferred Loss on Refunding					(440)
Current Portion					(10,260)
Bonds Payable on Series 1996					10,444
98 Revenue Bonds	3.65-5.1%	\$ 60,000	10/1/2018	\$	36,780
Plus: Unamortized Premium - 97 BANS					(486)
Less:					
Uamortized Discount					95
Current Portion					(2,945)
Bonds Payable on Series 1998					33,444
01 Revenue Bonds	4.375-5.5%	\$ 40,395	10/1/2020	\$	40,395
Plus: Unamortized Premium					331
Bonds Payable on Series 2001				\$	40,726
05 Revenue Bonds	4.04-5.25%	\$ 73,507	10/1/2030	\$	73,507
Accretion for Capital Appreciation Bonds	4.04 0.2070	Ψ 10,001	10/1/2000	Ψ	7,509
Plus: Unamortized Premium					2,094
Less: Current Portion					(1,902)
Bonds Payable on Series 2005				\$	81,208
02 Capital Asset Bonds	2-5%	\$ 21,045	4/1/2013	\$	9,655
Plus: Unamortized Premium	2-370	Ψ 21,043	4/ 1/2013	Ψ	234
Less: Current Portion					(2,240)
Subordinate Debt Payable on Series 2002A				\$	7,649
04 Capital Asset Bonds	2.25-5%	\$ 2,945	4/1/2016	\$	1,925
Plus: Unamortized Premium					42
Less: Current Portion				_	(255)
Subordinate Debt Payable on Series 2004B					1,712
05 Sunshine State Loan	Variable	\$ 10,289	9/1/2015	\$	6,174
Less: Current Portion				\$	(1,029)
Sunshine Loan Payable - Series I					5,145
06 Sunshine State Loan	Variable	\$ 2,053	9/1/2016	\$	1,524
Less: Current Portion				\$	(192)
Sunshine Loan Payable - Series I, 2006				\$	1,332
Total Debt & Loan Outstanding, net of curre	nt portion at 0	9/30/09		\$	181,660

**Prior Years' Defeasance of Debt** - In prior years, the County defeased certain bonds by placing the proceeds of new bond issues in irrevocable trusts and investing them in direct obligations of the U.S. Government to provide for all future debt service payments on the old bonds. At September 30, 2009 and 2008, there were no defeased bonds outstanding.

### Restricted Assets

Restricted assets represent funds that are required to be segregated in restricted accounts under the terms of the various bond agreements (see Note 4) and for compliance with Chapter 24 of the Miami-Dade County Code (See Note 10). Assets were restricted for the following purposes as of September 30:

Restricted Assets	2009			2008
	(ir	thous	ands	s)
Construction and Equipment	\$ 38,168		\$	38,738
Debt service	17,113			16,831
Groundwater Protection	8,603			8,210
Closure grants	26,786			32,115
Rate Stabilization	20,686			20,686
Operating Reserve	41,567			41,093
Total	\$ 152,923		\$	157,673

### 6. Risk Management

The Department, along with other County departments, participates in the County's self-insurance programs. The County's Risk Management Division ("RMD") administers property, workers' compensation and general and automobile liability self-insurance programs.

The property self-insurance program covers the first \$5 million of property losses for most perils. A \$200 million self insured retention per occurrence applied to named windstorm losses. Named windstorm coverage is limited to \$725 million per occurrence. Insurance coverage is maintained with independent carriers for property losses in excess of self insured retention. The County maintains no excess coverage with independent insurance carriers for the workers' compensation, general liability and auto liability self-insurance programs. Premiums are charged to the various County departments based on amounts necessary to provide funding for current losses and to meet the required annual payments during the fiscal year. For the years ended September 30, 2009 and 2008, the Department paid approximately \$2 million for each year, in premiums for the self-insured programs.

At September 30, 2009 and 2008, the Department had an outstanding payable to RMD for self-insurance claims of approximately \$1.3 million and \$1.7 million, respectively. This liability represents the current portion of the County's estimate of reported and unreported claims. The long-term portion of the estimated liability (totaling \$4.6M at September 30, 2009, and \$5.9M at September 30, 2008) is recorded in the Internal Service Fund of the County and it is not allocated to the Department. The total estimate by the self-insurance programs administered by RMD is determined annually based on the estimated ultimate cost of settling claims. The estimate for outstanding claims considers historical experience adjusted for current trends and other factors that would modify past experience. The estimate for losses incurred but not reported, is generated by an independent actuary.

### 7. Pension Plans and Other Employee Benefits

#### **Pension Plans**

The Department, as an enterprise fund of the County, participates in the Florida Retirement System (the "System"/"FRS"), a cost-sharing, multiple-employer, public employee retirement plan, which covers substantially all of the Department's full-time and part-time employees. The System was created in 1970 by consolidating several employee retirement systems. All eligible employees as defined by the State who were hired after 1970 and those employed prior to 1970, who elect to be enrolled, are covered by the System. Benefits under the plan vest after 6 years of service. Employees who retire at or after age 62, with six years of credited service, are entitled to an annual retirement benefit, payable monthly for life. The System also provides for early retirement at reduced benefits, and death and disability benefits. These benefit provisions and all other requirements are established by State statute.

The Florida Legislature created a new defined contribution program that was added to the menu of choices available to FRS members beginning in June 2002. Formally created as the Public Employee Optional Retirement Program (PEORP), the FRS Investment Plan is available as an option for all current and future FRS members, including renewed members (FRS retirees who have returned to FRS employment). The FRS Investment Plan is a defined contribution plan where the contribution amount is fixed by a set percentage determined by law and the contribution is made to an individual account in each participant's name. With a defined contribution plan, in which the monthly contribution rate is fixed, the final benefit will be the total account value (contributions plus investment earnings less expenses and losses) distributed during retirement.

The FRS funding policy provides for monthly employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are adequate to accumulate sufficient assets to pay benefits when due based upon plan assumptions. Employer contributions rates are established by state law as a level percentage of payroll (Chapter 121.70 Florida Statutes). Employer contribution rates are determined using the entry-age actuarial cost method. The consulting actuary recommends rates based on the annual valuation, but actual contribution rates are established by the Florida Legislature.

Pension costs of the Department of Solid Waste Management for the years ended September 30, 2009, 2008 and 2007, amounted to approximately \$5.1 million, \$4.9 million, and \$4.7 million, respectively, representing 9.6 % 9.40%, and 9.39% of the Department's covered payroll, for the fiscal years 2009, 2008 and 2007, respectively.

Pension costs for the County, as required and defined by State statute, ranged from 9.85% to 20.92%, of gross salaries for fiscal years 2009, 2008 and 2007, respectively. For the fiscal years ended September 30, 2009, 2008 and 2007, the County made 100% of the required contributions.

A copy of the System's June 30, 2009 annual report can be obtained by writing to the Division of Retirement, Cedars Executive Center, 2639-C North Monroe Street, Tallahassee, FL 32399-1560, or by calling (850) 488-5706.

#### **Compensated Absences**

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits, which will be paid to employees upon separation from County service. The Department accrues vacation and sick pay benefits in the period earned. Accrued vacation, sick pay and departure incentive program payable (see

"Departure Incentive Program" below), which are included in "Other current liabilities-compensated absences" and "Other long-term liabilities-compensated absences" in the accompanying statements of net assets, totaled approximately \$15.1 million and \$14.9 million as of September 30, 2009 and 2008, respectively.

### 8. Postemployment Benefits Other Than Pensions

The Department, as an enterprise fund of the County ("MDC") participates in the County's Post Employment Benefits Plan.

During fiscal year 2008, the Department adopted the requirements of Governmental Accounting Standards Board Statement 45 (GASB 45) for other post employment benefits (OPEB). This statement requires that the County accrue the cost of the County's retiree health subsidy and OPEB during the period of employees' active employement as the benefits are being earned. It requires the unfunded actuarial accrued liability be disclosed in order to accurately account for the total future cost of OPEB and the financial impact on the County. The financial impact of the adoption of this statement on the Department is reflected in the accompanying financial statements.

**Plan Description.** Miami-Dade County administers a single-employer defined benefit healthcare plan ("the Plan") that provides postretirement medical and dental coverage to retirees as well as their eligible spouses and dependents. Benefits are provided through the County's group health insurance plan, which covers both active and retired members. Benefits are established and may be amended by the Miami-Dade County Board of County Commissioners ("the BCC"), whose powers derive from F.S. 125.01(3)(a). The Plan does not issue a publicly available financial report.

**Eligibility:** To be eligible to receive retiree medical and dental benefits, participants must be eligible for retirement benefits under the Florida Retirement System (FRS) and pay required contributions.

- Regular Class (All employees not identified as members of the Special Risk Class)
  - Eligibility for Unreduced Pension Benefits under FRS
    - Age 62 with 6 years of service
    - 30 years of service (no age requirement)
  - Eligibility for Reduced Pension Benefits under FRS
- Special Risk Class (Police Officers, Firefighters and Corrections Officers)
  - Eligibility for Unreduced Pension Benefits under FRS
    - Age 55 with 6 years of special risk service
    - 25 years of special risk service (no age requirement)
    - Age 52 and 25 years of creditable service, including special risk service and up to maximum of 4 years of active duty wartime military service credit,
    - Regular Class criteria
  - Eligibility for Reduced Pension Benefits under FRS
    - 6 years of service (no age requirement)

**Benefits:** The medical plans offered provide hospital, medical and pharmacy coverage. Pre-65 retirees are able to select from five medical plans as follows.

- AvMed POS
- AvMed HMO High Option
- AvMed HMO Low Option
- JMH HMO High Option
- JMH HMO Low Option

Post-65 retirees are able to select from five medical plans as follows. The County only contributes to post-65 retirees electing an AvMed Medicare Supplement Plan.

- AvMed Medicare Supplement Low Option
- AvMed Medicare Supplement High Option with RX
- AvMed Medicare Supplement High Option without RX
- JMH HMO High Option
- JMH HMO Low Option

#### **Number of Covered Participants:**

	County
Actives	27,063
Retirees under age 65	1,344
Eligible spouses under age 65	747
Retirees age 65 and over	1,433
Eligible spouses age 65 and over	302
Total	30,889

**Funding Policy.** The County contributes to both the pre-65 and post-65 retiree medical coverage. Retirees pay the full cost of dental coverage. Medical contributions vary based on plan and tier. For pre-65 retirees, the County explicitly contributed an average of 21% of the cost for the AvMed POS plan, 41% for the AvMed HMO High and AvMed HMO Low plans in fiscal year 2009. The JMH HMO plans receive no explicit contribution. However, it is the County's policy that after fiscal year 2008 its per capita contribution for retiree health care benefits will remain at the 2008 dollar level.

The pre-65 retirees also receive an implicit subsidy from the County since they are underwritten with the active employees. The implicit contribution is approximately 5% of the cost. The pre-65 cost is approximately 57% greater than the combined pre-65 and active cost. The post-65 retiree contributions also vary by plan and tier with the County contributing an average of 28% of the entire plan cost.

The postretirement medical and dental benefits are currently funded on a pay-as-you go basis (i.e., Miami-Dade County funds on a cash basis as benefits are paid). No assets have been segregated and restricted to provide post-retirement benefits.



**Annual OPEB Cost and Net OPEB Obligation.** The County's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the *annual required contribution of the employer (ARC)*, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The Department's annual OPEB cost for the fiscal years 2009 and 2008, respectively, and the related information for the plan are as follows (dollar amounts in thousands):

	2009	2008
Annual required contribution	\$ 820	\$ 774
Interest on net OPEB obligation	-	-
Adjustment to annual required contribution	-	 
Annual OPEB cost	820	774
Contributions made	616	273
Increase in net OPEB obligation	204	501
Net OPEB obligation—beginning of year	501	-
Net OPEB obligation—end of year	\$ 705	\$ 501

The Department recorded the net OPEB obligation of \$705 thousand and \$501 thousand, as other long-term liabilities-other, at the end of fiscal years 2009 and 2008, respectively. The Department's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal years 2009 and 2008 were as follows (dollar amounts in thousands):

Fiscal Year Ended	Annual OPEB Cost					
9/30/2009	\$820	75.1%	\$705			
9/30/2008	\$774	35.3%	\$501			

**Funded Status and Funding Progress.** The schedule below shows the balance of the actuarial accrued liability (AAL) for the County, all of which was unfunded as of September 30, 2009 and September 30, 2008, respectively (dollar amounts in thousands).

### Schedule of Funding Progress for the Retiree Health Plan (Unaudited)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Estimated Covered Payroll (c)	UAAL as % of Covered Payroll ([b-a]/c)
10/1/2008	\$0	\$255,259	\$255,259	0%	\$1,527,564	17%
10/1/2007	\$0	\$242,331	\$242,331	0%	\$1,483,072	16%

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability

of events in the future. Amounts determined regarding the funded status of the plan and the annual required contributions by the County are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The required schedule of funding progress presented as required supplementary information provides multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

**Actuarial Methods and Assumptions.** Projections of benefits are based on the substantive plan (the Plan as understood by the employer and plan members) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the County and the plan members to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

The actuarial cost method used in the valuation to determine the Actuarial Accrued Liability (AAL) and the Actuarial Required Contribution (ARC) was the Projected Unit Credit Method with service prorated. Under this method, the total present value of benefits is determined by projecting the benefit to be paid after the expected retirement date (or other event) and discounting those amounts to the valuation date. The normal cost is computed by dividing the total present value of benefits by the participant's total service (actual plus expected service) at retirement. The AAL under this method represents the total present value of benefits multiplied by the ratio of the participant's actual service to date and divided by expected service at retirement. The AAL for participants currently receiving payments and deferred vested participants is calculated as the actuarial present value of future benefits expected to be paid. No normal cost for these participants is payable. The AAL and normal costs were calculated at the measurement date, which is the beginning of the applicable fiscal year using standard actuarial techniques.

The following summarizes other significant methods and assumptions used in valuing the AAL and benefits under the plan.

Actuarial valuation date 10/1/2008

Amortization method Level percentage of payroll, closed

Remaining amortization period 30 years

Actuarial assumptions:

Discount rate 4.75%
Payroll growth assumption 3.00%

Health care cost trend rates 10% initial to 5.25% ultimate

Mortality table RP 200

Further, the valuation assumes that the County will continue to fund the liability on a pay-as-you-go basis and that the County's policy is that its per-capita contribution for retiree benefits will remain as the 2008 level. As a result, the retiree contributions will be increased to the extent necessary so that they are sufficient to provide for the difference between the gross costs and the fixed County contributions.

### 9. Related Party Transactions

The Department provides waste collection and waste disposal services to other County departments as part of the normal course of business, based on regular retail rates. The Department recognized approximately \$7.1 million and \$5.6 million in revenues for fiscal year 2009 and fiscal year 2008, respectively. These revenues represent the total of services rendered and the rental of an administration building to other County departments.

Various departments within the County provide goods, administrative services, public safety, facility rental, fleet management and various other services to the Department. Charges for these services are determined using direct and indirect cost allocation methods or amounts determined based upon direct negotiations between the related parties.

The following represents the major providers of these services and their respective charges, which are included in the accompanying statements of revenues, expenses and changes in fund net assets, for the years ended September 30 as follows:

	2009 (In Th	ousan	2008 <b>ds)</b>
General County Support Charge	\$ 4,769	\$	4,867
GSA-Risk Management	1,888		1,977
GSA-Fleet Management & Other	30,224		34,028
Information Technology Dept.	2,361		2,558
Other County Departments	503		421
	\$ 39,745	\$	43,851

The Department had two outstanding loans with General Services Administration (GSA) for the purchase of equipment. Loan #1 originated in fiscal year 2005, for \$2.2 million and it was scheduled to be repaid in 60 monthly installments. This loan was fully repaid at September 30, 2008. Loan #2 originated in fiscal year 2007, for \$2.3 million, and it was fully repaid at September 30, 2009. Both of these loans were non-interest bearing. In 2008 the total approximately balance for both loans was \$4.2 million.

### 10. Closure and Postclosure Care

At September 30, 2009 and 2008, the Department's total liability for landfill closure and postclosure care costs was approximately \$100.2 million and approximately \$113.5 million, respectively. For the fiscal year ended September 30, 2009, approximately \$74.1 million relates to active landfills and approximately \$26.2 million relates to inactive landfills. For the fiscal year ended September 30, 2008, approximately \$79.3 million relates to active landfills and approximately \$34.2 million relates to inactive landfills.

This liability arises from the fact that current laws and regulations require the County to place final covers on landfill cells as they are closed, and perform certain maintenance and monitoring functions at the

landfill cell sites for thirty years after closure. These laws and regulations also require the County, on an annual basis, to disclose the extent of its financial responsibility for the costs involved, which are referred to as "closure and postclosure care" costs. The County was in compliance with these requirements as of September 30, 2009.

The County accounts for and discloses closure and postclosure care costs in accordance with GASB Statement No.18 Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs (the "Statement"). The Statement requires, among other matters: (1) that the liability for closure and postclosure care costs be estimated based on applicable federal, state or local regulations that were in existence as of the date of the statement of net assets (2) that the cost estimates be reevaluated and adjusted on an annual basis for changes due to inflation or deflation, or for changes due to advancements in technology (3) that a portion of these estimated closure and postclosure costs be recognized in each operating period that the landfill is active, based on the amount of waste received during the period, even though the majority of the costs will not be disbursed until after the landfill cells are closed, and (4) that changes in the estimated costs for closure and postclosure care which occur after the landfill stops accepting waste be recognized entirely in the period of the change.

Expenses for closure and postclosure care are funded from the proceeds of bonds, of which the principal and interest are subsequently repaid from Utility Service Fees assessed on all countywide water and wastewater users, in accordance with Chapter 24 of the Dade County Code (the "Code"). Under the Code, funds collected from this fee can be used for solid waste landfill closure and postclosure care costs that are the financial responsibility of the County, for environmental remediation at landfill sites, and for land acquired to protect groundwater.

### Closure and Postclosure Care for Active Landfills

Active landfills consist of the North Dade Landfill (ND), the South Dade Landfill (SD), and the Resources Recovery Ashfill (RR). The change in the closure and postclosure care liability for these landfills for fiscal years 2009 and 2008 are summarized as follows (in millions):

ND	SD	RR	Total
\$30.4	\$31.2	\$17.7	\$79.3
(.1)	2.0	(1.9)	-
	(4.4)	(.8)	(5.2)
\$30.3	\$28.8	\$15.0	\$74.1
ND	SD	RR	Total
\$29.2	\$29.0	\$16.5	\$74.7
1.2	2.6	1.2	5.0
	(.4)		(.4)
\$30.4	\$31.2	\$ 17.7	\$79.3
	\$30.4 (.1) \$30.3 <b>ND</b> \$29.2 1.2	\$30.4 \$31.2 (.1) 2.0 (4.4) \$30.3 \$28.8 ND SD \$29.2 \$29.0 1.2 2.6 (.4)	\$30.4 \$31.2 \$17.7 (.1) 2.0 (1.9) (4.4) (.8) \$30.3 \$28.8 \$15.0 ND SD RR \$29.2 \$29.0 \$16.5 1.2 2.6 1.2 (.4)

The liability balance of approximately \$74.1 million as of September 30, 2009 represents a decrease of approximately \$5.2 million when compared to the preceding year. This decrease resulted from the combined effects of

(1) a credit (instead of amortization expense) of \$45 thousand in the current period to adjust the recorded liability to the amount required to be recognized based on the current estimates for closure and postclosure care costs and the use of approximately 87.4% of the existing landfill capacity, and (2) reductions of approximately \$5.2 million for amounts paid or due to vendors actually performing closure or postclosure work during the current period on closed "cells" of active landfills.

There were no unrecognized costs as of September 30, 2009. Unrecognized costs are recognized on a current basis as the existing estimated capacity of approximately 4.5 million tons at September 30, 2009 is used. This estimated capacity is expected to last until 2016 based on current waste flows.

#### Closure and Postclosure Care for Inactive Landfills

Inactive landfills consist of the Main Landfill at 58th Street (Main), the Ojus Landfill (Ojus), and the Old South Dade Landfill (OSD).

The bond indenture specifically excludes current period expenses related to the assumption of liabilities for inactive landfills from the definition of operating expenses for purposes of determining the Department's net revenue coverage ratio (Note 4).

The change in the closure and postclosure care liability related to inactive landfills for fiscal years 2009 and 2008 are summarized as follows (in millions):

	Main	Ojus	OSD		•	Total
Balance, 10/01/2008	\$ 10.9	\$ 1.1	\$ 22.2	9	6	34.2
Expense/(Credit)	(2.8)	(.3)	(4.1)			(7.2)
Other Reductions	( .1)		(.7)			(8.)
Balance, 09/30/2009	\$ 8	\$ .8	\$ 17.4	- 5	3	26.2
	Main	Ojus	OSD			Total
Balance, 10/01/2007	\$ <b>Main</b> 10.6	\$ Ojus 1.1	\$ <b>OSD</b> 22.3	9		<b>Total</b> 34.0
Balance, 10/01/2007 Expense/(Credit)	\$ 	\$ •	\$ 	\$		
,	\$ 10.6	\$ 1.1	\$ 22.3			34.0
Expense/(Credit)	\$  10.6	\$ 1.1 1.8	\$  22.3		S	34.0

The liability balance of the inactive landfills for fiscal years 2009 and 2008 is approximately \$26.2 million and \$34.2 million, respectively. When compared to the preceding year, the liability balance decreased approximately \$8.0 million reflecting the effects of (1) the reduction to expense (credit) recognized in the current period of approximately \$7.2 million to adjust the recorded liability to the amount required to be recognized based on the current estimates for postclosure care costs (2) reductions of approximately \$.8 millions for amounts paid or due to vendors actually performing closure and postclosure work during the current period.

Refer to Note 12 for additional information regarding beginning balance, additions, reductions and ending balance of liability for closure and postclosure care costs.

### 11. Pollution Remediation Obligations

During the fiscal year ended September 30, 2009, the Department adopted GASB Statement 49 (GASB49), Accounting and Financial Reporting for Pollution Remediation Obligations, establishing accounting and financial reporting standards for pollution (including contamination) remediation obligations, which are obligations to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities. The standard excludes pollution prevention or control obligations with respect to current operations and future pollution remediation activities that are required upon retirement of an asset, such as landfill closure and postclosure care.

GASB 49 provides guidance for state and local governments in estimating and reporting the potential costs of pollution remediation. While GASB 49 does not require the Department to search for pollution, it does require the Department to reasonably estimate and report a remediation liability when any of the following obligating events has occurred:

- Pollution poses an imminent danger to the public and the Department is compelled to take action;
- The Department is in violation of a pollution related permit or license;
- The Department is named or has evidence that it will be named as responsible party by a regulator;
- The Department is named or has evidence that it will be named in a lawsuit to enforce a cleanup; or
- The Department commences or legally obligates itself to conduct remediation activities.

The Department conducts typical remediation activities such as site investigation, planning and design, cleanup and site monitoring activities. The Department has the knowledge and expertise to estimate the remediation obligations outlined herein based on prior experience in identifying and funding similar remediation activities. GASB 49 requires the Department to calculate pollution remediation liabilities using the expected cash flow method. If the Department can not reasonably estimate a pollution remediation obligation, it does not report a liability; as of September 30, 2009, the Department had not identified any of these situations.

Remediation obligation estimates are subject to change over time. Costs may vary due to price fluctuations, changes in technology, results of environmental studies, changes to statutes or regulations and other factors that could result in revisions to the estimates. Prospective recoveries from responsible parties could reduce the Department's obligation. Capital assets may be created when pollution remediation outlays are made under certain specific circumstances.

As of September 30, 2009, the Department had identified 6 events leading to remediation obligations. One of these related to the destruction of freshwater and costal wetlands at the Old south Dade Landfill. The rest of these related to ammonia-nitrogen contamination found in the groundwater at the 58th Street Landfill, North Dade Landfill, Old South Dade Landfill, Resource Recovery and South Dade Landfill. The Department has included the corresponding remediation costs in connection with these events in the closure and postclosure care estimates impacting the liability for closure and postclosure care costs balance as of September 30, 2009.

# 12. Changes in Long-term Liabilities for Fiscal Years 2009 and 2008 are as Follows:

(In Thousands)

	Beginning Balance at 10/1/2008	Additions	Reductions	Ending Balance at 9/30/2009		Due Within O Year	ne
Bonds and loans payable:							
Revenue bonds & County Special Obligation Bonds	\$ 198,277		\$ (14,955)	\$ 183,322	\$	17,602	(b)
Accretion on Series 2005 Capital Appreciation Bonds	5,690	1,819		7,509			
Loans payable (a)	8,911		(1,213)	7,698		1,221	(b)
Less deferred amounts:							
For issuance Bond Discount-Series 1998	(539)		54	(485)			
Loss on refunding Bonds-Series 1996	(954)		514	(440)			
Add deferred bond premium							
Series 1996	183		(100)	83			
1997 BANS	105		(11)	94			
Series 2001	362		(30)	332			
Series 2005	2,194		(100)	2,094			
County SOB Series 2002A (Subordinate Debt)	372		(138)	234			
County SOB Series 2004B (Subordinate Debt)	52		(10)	42			
Total	214,653	1,819	(15,989)	200,483		18,823	(b)
Other liabilities:							
Compensated absences and Departure Incentive Program	14,923	5,358	(5,115)	15,166		3,922	
Liability for landfill closure/postclosure care costs	113,503	1,974	(15,241)	100,236		7,216	
Other: (Special Obligations - Arbitrage)	18	184		202 (	c)		
Other: (Assets held in trust)	1,085	601		1,686 (	c)		
Due to Other Fund (GSA Equipment Loan)	4,222		(4,222)	-			
Other Post Employment Benefits	501	204		705 (	c)		
Total long-term liabilities (incuding current portion)	\$ 348,905	\$ 10,140	\$ (40,567)	\$ 318,478	\$	29,961	

<sup>(</sup>a) County's Sunshine State Loan Series I, 2005 and 2006

<sup>(</sup>b) See current portion of bonds & loans payable fiscal year ended 9/30/2009

<sup>(</sup>c) See Statement of Net Assets as of 9/30/2009, total \$2,593 million.

#### (In Thousands)

			(In Thousa	nds)	
	Beginning Balance at 10/1/2007	Additions	Reductions	Ending Balance at 9/30/2008	Due Within One Year
Bonds and loans payable:					
Revenue bonds & County Special Obligation Bonds	\$ 212,487		\$ (14,210)	\$ 198,277	\$ 16,774 (b)
Accretion on Series 2005					
Capital Appreciation Bonds	3,950	1,740		5,690	
Loans payable (a)	10,116		(1,205)	8,911	1,213 (b)
Less deferred amounts:					
For issuance Bond Discount-Series 1998	(593)		54	(539)	
Loss on refunding Bonds-Series 1996	(1,468)		514	(954)	
Add deferred bond premium					
Series 1996	283		(100)	183	
1997 BANS	116		(11)	105	
Series 2001	392		(30)	362	
Series 2005	2,294		(100)	2,194	
County SOB Series 2002A (Subordinate Debt)	547		(175)	372	
County SOB Series 2004B (Subordinate Debt)	63		(11)	52	
Total	228,187	1,740	(15,274)	214,653	17,987 (b)
Other liabilities:					
Compensated absences and Departure Incentive Program	14,112	9,700	(8,889)	14,923	3,811
Liability for landfill closure/postclosure care costs	108,718	7,788	(3,003)	113,503	6,583
Other: (Special Obligations - Arbitrage)	108		(90)	18 (c)	
Other: (Assets held in trust)	1,083	75	(73)	1,085 (c)	
Due to Other Fund (GSA Equipment Loan)	3,319	4,554	(3,651)	4,222	4,222 (d)
Other Post Employment Benefits		501		501 (c)	
Total long-term liabilities (incuding current portion)	\$ 355,527	\$ 24,358	\$ (30,980)	\$ 348,905	\$ 32,603

<sup>(</sup>a) County's Sunshine State Loan Series I, 2005 and 2006



<sup>(</sup>b) See current portion of bonds & loans payable fiscal year ended 9/30/2008

<sup>(</sup>c) See Statement of Net Assets as of 9/30/2008, total \$1.604 million.

<sup>(</sup>d) See Statement of Net Assets as of 9/30/2008, included in \$5.880 million figure.

### 13. Resources Recovery Facility

Montenay-Dade, Ltd., a subsidiary of Veolia ES Waste-to-Energy, Inc., formerly known as Montenay Power Corporation, (the "Company") operates a resource recovery facility (the "Facility") for the County, pursuant to the Third Amended and Restated Operations and Management Agreement (the "Amended Agreement") that expires on October 31, 2023, as amended August 2, 2004. The agreement can be automatically extended for up to four additional five-year renewal terms that would expire on October 31, 2043. Solid waste is delivered to the Facility from the County's transfer stations and directly from municipal customers and private haulers. The garbage and trash are processed into refuse derived fuel and then burned in four boilers that produce steam to turn two turbine generators. See Footnote 16, Subsequent Events.

Payments made to the Company under the Amended Agreement are primarily for Tipping Fees on the waste processed through the Facility, subject to certain delivery and processing guarantees. The Company is also paid a 50% share of the revenues from the sale of electricity generated by the plant and purchased by Florida Power Corporation under a power purchase agreement. Accordingly, these payments are treated as an operations and maintenance expense.

In order to finance ongoing plant enhancements over the years, the County issued various debt instruments on behalf of the Company, which were refunded from the proceeds of the \$182.7 million Dade County, Florida Resource Recovery Facility Refunding Revenue Bonds issued in 1996 (the "Series 1996 Bonds"). The County contributed approximately \$5 million to cover a portion of the Series 1996 Bonds issuance costs. This portion of the issuance costs is included in the Department's other assets and is being amortized over the life of the bonds. Concurrent with the issuance of the Series 1996 Bonds, the Company issued a promissory note in favor of the County for the original principal amount of the Series 1996 Bonds. The County assigned this note to the Trust Estate created pursuant to the Trust Indenture, which provides that the Series 1996 Bonds are payable solely from and secured only by an irrevocable pledge of a lien on the Trust Estate. The County has not pledged any revenues or property (including the Facility) as security for the Series 1996 Bonds. Therefore, the County's obligation for the Series 1996 Bonds is strictly limited to stipulations in the Amended Agreement, which guarantee a minimum amount of annual Tipping Fees. The Series 1996 Bonds are a debt obligation of the Company, and are, therefore, not reflected in the accompanying financial statements. The principal balance of the bonds outstanding at September 30, 2009 is \$43.3 million.

The Bond proceeds were loaned to the Company pursuant to a September 1, 1996 Loan Agreement. This Loan Agreement requires the Company to assign all Tipping Fees and other operating revenues directly to the Trust Estate in an amount that, at a minimum, will equal the debt service requirements on the Series 1996 Bonds.

The County has guaranteed to deliver at least 936,000 tons per year of On-Site Waste for processing at the Facility plus an additional 100,000 tons, if requested by the Company, unless garbage is unavailable for delivery due to circumstances beyond the County's control. In that event, the County has guaranteed to deliver not less than 702,000 tons per year in On-Site Waste and at least 270,000 tons per year in Recyclable Trash. If the County fails to meet these guarantees, the County will be required to pay the agreed Tipping Fees as if it had in fact delivered the guaranteed tonnage. For information regarding the County's compliance with the tonnage guarantees as of September 30, 2009 and 2008, refer to Footnote 16, Subsequent Events.

In addition to the tonnage guarantees, the County has also covenanted to establish rates at a level that will provide receipts in an amount sufficient to meet its obligation for minimum Tipping Fees under the Amended Agreement. In the event such receipts are insufficient, the County has covenanted that for so long as the Series 1996 Bonds are outstanding, it will appropriate in its annual budget, to the extent permitted, available non-advalorem revenues in an amount sufficient to meet its obligation for minimum Tipping Fees. This appropriation must be in accordance with the budgetary procedures provided by the laws of the State of Florida.

For fiscal years 2009 and 2008, the County recorded expenses of \$57.7 million and \$56.1 million, respectively, in Tipping Fees to the Company. The rates charged for Tipping Fees as of September 30, 2009 were \$36.61 per ton for on-site waste processing other than tires and \$82.08 per ton for clean shredded tires. These rates are adjusted annually for the consumer price index. The tipping fee for Recyclable Trash processed tons was \$31.47 per ton.

Fuel and other by-products not returned to County facilities from the Recyclable Trash received a credit of \$1.89 per ton as a recycle credit fee. In addition, the County also paid a Capital Improvements Project fee of \$2.5 million per year.

The rates charged for Tipping Fees as of September 30, 2008 were \$34.87 per ton for on-site waste processing other than tires and \$78.17 per ton for clean shredded tires. These rates are adjusted annually for the consumer price index. The tipping fee for Recyclable Trash processed tons was \$29.97 per ton. Fuel and other by-products not returned to County facilities from the Recyclable Trash received a credit of \$1.80 per ton as a recycle credit fee. In addition, the County also paid a Capital Improvements Project tipping fee of \$2.5 million per year.

Concurrent with the issuance of the Series 1996 Bonds, the County entered into an interest rate swap agreement for purposes of converting the fixed interest payments on the Series 1996 Bonds into variable rate payments. This Agreement, which is also part of the Trust Estate, has no effect on the County's obligation under the Trust Indenture to pay the principal and interest on the Series 1996 Bonds. It provides for the Trustee to pay interest calculated at a variable rate to the counterparty in the swap. The counterparty, in turn, is required to pay the Trustee interest at a fixed rate. Should interest rates increase significantly or there be a significant reduction in marginal income tax rates, the County could be exposed to increased payment obligations through increased Tipping Fees.

On October 23, 1997, the County entered into a second swap agreement to take advantage of the interest rate savings between the variable taxable and tax exempt rates. This Agreement provides for the Trustee to pay interest at a fixed rate to the counterparty in the swap. The counterparty, in turn, pays the Trustee interest at a taxable variable rate. If the counterparty defaults or if the swap is terminated, the County will be exposed to the rates established in the Series 1996 Bonds. Termination may result in the Trustee making or receiving a termination payment. From inception through September 30, 2009, this swap had yielded total savings of approximately \$8.0 million, including (negative) savings in fiscal years 2004 through 2007. The fiscal year 2009 reflects \$1.4 million in savings, as compared to \$98 thousand in fiscal year 2008. See Footnote 16, Subsequent Events.

In the event of termination, the County must find a successor operator. This operator will be required to assume the Company's obligations under the Amended Agreement and Trust Indenture, or pay the Trustee an amount equal to the higher of (1) the Unamortized Capital Cost or (2) the minimum tipping fee amounts due under Section 7.1.9 of the Amended Agreement. The aggregate amounts of estimated Tipping Fees, to be paid under the Amended Agreement for future fiscal years are as follows:

Fiscal Year		Amount
2010	\$	50,043,659
2011		49,797,627
2012		49,545,388
2013	_	49,295,858
Total	\$_	198,682,532

The amounts above represent the County's share, net of the Company's contract obligations and the effect of the fixed to variable rate swap arrangements generating positive cash flows. The amounts are based on 702,000 tons of on-site waste plus 270,008 tons of RTI to be processed in fiscal year 2010 and annually thereafter. The amounts were computed using rates effective October 1, 2009. See Footnote 16, Subsequent Events.

### 14. Commitments and Contingencies

#### **Contract Disposal**

During fiscal year 2009, the Department maintained a long-term waste disposal contract with a private regional disposal facility provider, Waste Management Inc. of Florida ("Waste Management"). The Waste Management contract is effective until September 30, 2015, with two additional five-year renewal options. Under the terms of the contract, the County must deliver or direct to be delivered, a minimum of 100,000 tons per year to a landfill located in the Town of Medley, Florida. The County may dispose of a combined total of up to 500,000 tons per year at that site or the Central Sanitary Landfill located in Pompano Beach, Florida.

The contract fixed the disposal fee paid by the County at \$24.50 per ton until October 1, 1999, providing for annual adjustments thereafter based on increases in the consumer price index (CPI). The disposal fee paid by the County for the first 100,000 tons in fiscal years 2009 and 2008 was \$32.59 and \$31.04 per ton, respectively. As of September 30, 2009, the County was in compliance with this contract.

### Litigation

The Department is a defendant in certain legal proceedings, which occur in the normal course of operations. In the opinion of the Department's legal counsel, the ultimate resolution of these legal proceedings are not likely to have a material, adverse impact on the financial position of the Department.

### Construction

The Department had contractual commitments of approximately \$8.6 millions for construction at September 30, 2009.

#### **Consent Orders**

During fiscal year 2009 there were no incidents resulting in enforcement actions by the Florida Department of Environmental Protection (FDEP) or other environmental regulatory agencies having jurisdiction over the Resource Recovery Facility's operations. On December 22, 2008, Veolia ES Waste-to-Energy (VES) received a notice of non-compliance related to downtime for #2 Boiler's opacity monitor. A response was issued to FDEP on January 8, 2009 by VES detailing the corrective actions taken. No further communication has been received from FDEP and this item is believed to be resolved without enforcement.

VES closed one action regarding carbon feeding rates associated with the Air Quality Controls Systems (AQCS) that had been pending resolution for a few years. In FY 2006, VES discovered and self-reported to the FDEP irregularities in administering and reporting the carbon feed rate to the AQCS for the period of 2003 through 2006. VES has paid \$5,750 in administrative fees and offered to pay the proposed civil penalties via implementation of an in-kind project in lieu of payment of \$485,322. FDEP did not accept the proposed in-kind project and suggested a different project. VES did not accept the alternate proposed by FDEP and proposed a second in kind project, which FDEP also rejected. VES paid the monetary penalties on February 25, 2009 to close the matter.

With respect to other Department facilities, no incidents resulting in enforcement actions by FDEP or other environmental regulatory agencies having jurisdiction occurred during fiscal year 2009. The Department received a letter on August 11, 2009 inquiring about the status of South Dade Landfill Well cluster S-6. This well cluster was inaccessible during 2008 and FDEP advised DSWM that the item was considered to be "Significantly Out of Compliance and could result in enforcement action; however, DSWM advised FDEP on August 29, 2009 that the access issue was resolved. No further communication was received from FDEP regarding the matter. Additionally during fiscal year 2009, DSWM resolved two enforcement issues that had resulted from the effects of Hurricanes Katrina and Wilma. On September 29, 2006, FDEP issued two Warning Letters (WL06-0044AV13SED and WL06-0041AV13SED) concerning operation of the Landfill Gas (LFG) Systems at North and South Dade Landfills, respectively. The alleged violations stemmed from a revised interpretation by the United States Environmental Protection Agency (USEPA)/FDEP of their guidance for compliance with flare station downtime reporting and classification; impacts to the well-field at North Dade, which were a consequence of disposal of large amounts of debris associated with the 2005 hurricanes; and other minor issues including a few temperature and oxygen excursions in the extractions wells and flares. On November 3, 2006, DSWM representatives and Shaw officials, the contracted Operator of the LFG Systems, met with FDEP officials and presented documentation regarding the allegations. During fiscal year 2008 DSWM met again with FDEP officials to clarify certain points. FDEP officials evaluated the originally submitted information, the additional information provided and verbal clarifications, and on October 23, 2008 offered to settle the matters via two short form consent orders, one for each landfill. The FDEP proposed to settle the issues at North Dade Landfill for civil penalties of \$10,665 and administrative fees of \$500. For settlement of alleged violations at the South Dade Landfill, FDEP proposed \$ 9,930 in civil penalties and \$500 in administrative fees. The DSWM accepted the proposed settlement and executed the Consent Orders on December 1, 2008. DSWM paid the penalties and administrative costs requested and the enforcement actions were closed by FDEP via letters dated January 7, 2009.

### 15. New Accounting Pronouncements

In June 2007, the Governmental Accounting Standards Board issued Statement No. 51, "Accounting and Financial Reporting for Intangible Assets" (GASB 51) which is effective for fiscal periods beginning after June 15, 2009. GASB 51 establishes accounting and financial reporting requirements for intangible assets including easements, water rights, timber rights, patents, trademarks, and computer software. The Department will implement the requirements of GASB 51 beginning with fiscal year 2010.

### 16. Subsequent Events

#### **Assignment of Operations and Management Agreement**

On January 28, 2010, the Miami-Dade County Board of County Commissioners approved a resolution authorizing the County Mayor or the County Mayor's designee to execute the Letter Agreement to assign the Third Amended and Restated Operations and Management Agreement (as amended), (the "O&M Agreement") between Miami-Dade County (the "County") and Montenay-Dade, Ltd., to Covanta Southeastern Florida Renewable Energy LLC. ("Covanta").

The aforementioned Letter Agreement refers to a certain Share Purchase Agreement ("the Agreement"), by and between Veolia Environmental Services North America Corp. ("VESNA") and Covanta Energy Corporation ("Covanta"), dated as of July 3, 2009, pursuant to which VESNA has agreed to sell to Covanta most of its North American Energy-from-Waste business. Upon the consummation of the sale contemplated under the Agreement (the "Sale", and the date of such consummation, the "Effective Date"), VESNA will directly or indirectly transfer its direct to indirect equity interests in Montenay to Covanta or one of its subsidiaries.

The Letter Agreement was executed on January 28, 2010. The County and Covanta agreed, upon the terms and subject to the conditions of the Letter Agreement, that Covanta will make or cause to be made the facility improvements, operating changes and other terms set forth below (the "Business Terms"). The parties further agreed that (i) the consummation of the Sale shall not trigger any default or event of default under or in respect to the O&M Agreement or the Loan Agreement with respect to Montenay or Covanta or a subsidiary thereof, and (ii) the taking of any action, or omission to take any action, by Montenay under or in respect of the O&M Agreement, the Loan Agreement or otherwise on or prior to the Effective Date, will not give rise to any claim against Covanta or a subsidiary thereof following the Effective Date.

### The Business Terms are as follows:

- Covanta agrees to work with the County to incorporate the following three pre-existing letter agreements into a third
  amendment (the "Third Amendment") to the O&M Agreement within six months of the Effective Date: a) Agreement dated August 18, 2005; b) Agreement dated September 27, 2007; and c) Agreement dated January 29, 2009.
- 2. Covanta and the County agree to work to establish a new combined residue guarantee, which will also take into account information from the results of a Waste Composition Study.
- Montenay and Covanta agree to expunge the County's Recyclable Trash shortfalls for fiscal year 2008 and fiscal year 2009; and the County agrees to expunge any and all Montenay and Covanta potential penalties for fiscal years 2008 and fiscal year 2009.

- 4. Covanta and the County agree to modify the O&M Agreement's Hard Put or Pay provision with respect to Waste Deliveries by the County after the Effective Date. The County and Covanta agree to modify the Annual Recyclable Trash Guaranteed Tonnage and Annual On-site Waste Guaranteed Tonnage and associated provisions of the O&M Agreement. The Waste Tipping Fees will be modified for fiscal year 2010. Such revised provisions for Annual Recyclable Trash Guaranteed Tonnage, Annual On-site Waste Guaranteed Tonnage and Waste Tipping Fees agreed upon herein shall be applied retroactively from the beginning of the 2010 County Fiscal Year, October 1, 2009. All of these agreed upon provisions herein will be incorporated into the Third Amendment.
- 5. Covanta agrees to complete certain enhancements to the Facility in a timely fashion.
- 6. Covanta agrees to implement and pay for certain aesthetic enhancements to the Facility within one year of the Effective Date. The County agrees that it shall be responsible for the cost of any changes in scope of the projects, requested by the County but only if the total cost of all projects exceed \$250,000.
- 7. Covanta agrees to reimburse the County for its costs, up to a maximum of \$75,000, for additional work performed by the Bond Engineer relating to the County's consent to the assignment of the O&M Agreement as previously contemplated by the parties.
- 8. Covanta agrees to complete all open items on certain County inspection lists in a timely fashion.
- The County agrees to include a waiver of subrogation in its insurance policy for the Facility, and Covanta
  agrees to include a waiver of subrogation in its insurance policy for its owned equipment and personal property
  located at the Facility.

As of September 30, 2009, the Department recognized a \$5.7 million expense for the Recyclable Trash shortfalls addressed in item 3 above.

### Termination or Termination and Replacement of Interest Rate SWAP

On February 9, 2010, the Miami-Dade County Board of County Commissioners approved a resolution authorizing the County Mayor or the County Mayor's designee to negotiate with Rice Financial Products Company regarding the interest rate swap insured by AMBAC Indemnity Corporation related to the Resource Recovery Facility Refunding Revenue Bonds (Series 1996) in order to minimize potential economic loss to the County; delegating authority within certain parameters to the County Mayor or the County Mayor's designee to terminate said swap or terminate it and enter into a replacement swap and to execute and deliver any related agreements; and authorizing County Officials to take all actions necessary to accomplish such purposes.

Despite the severe credit ratings downgrade, neither Rice Financial Products Company nor AMBAC are currently in default on the interest rate swap related to the Resource Recovery Facility Refunding Revenue Bonds (Series 1996). The County intends to terminate the swap if the County receives a termination payment of \$1 million or greater. If the payment due to the County is less than \$1 million, the County will have the option to enter into a replacement swap provided the new swap will preserve the current positive cash flow the County receives from the existing swap.

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# Required Supplementary Information

Schedule of Funding Progress For the Miami-Dade County Retiree Health Plan (In thousands) (Unaudited)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Estimated Covered Payroll (c)	UAAL as % of Covered Payroll ([b-a]/c)
10/1/2008	\$0	\$255,259	\$255,259	0%	\$1,527,564	17%
10/1/2007	\$0	\$242,331	\$242,331	0%	\$1,483,072	16%





# Supplemental Schedules Supplementary Financial Information

The following section includes the financial statements of the Solid Waste Disposal and Solid Waste Collection Systems. These systems' financial statements, identified as Supplemental Schedules, are furnished solely as supplementary information and are not required by accounting principles generally accepted in the United States of America.

# Disposal System

### $Supplemental\ Schedules\ of\ Net\ Assets$

	At September 30,				
		2009	2008		
		(In th	nousar	nds)	
ASSETS					
CURRENT ASSETS					
Unrestricted Assets					
Cash and cash equivalents	\$	14,317	\$	20,195	
Investments		69,736		69,850	
Accounts receivable, net		7,341		9,781	
Other current assets		-		9	
Loans receivable from other County funds		4,157		3,959	
Total Unrestricted Assets		95,551	_	103,794	
Restricted Assets					
Cash and cash equivalents		11,866		9,957	
Accounts receivable		8,603		8,210	
Total Restricted Assets		20,469	_	18,167	
Total Current Assets		116,020	_	121,961	
NON-CURRENT ASSETS					
Restricted Assets					
Cash and cash equivalents		34,940		24,392	
Investments		97,048	_	114,557	
Total Restricted Assets		131,988	_	138,949	
Capital Assets, net		151,531		162,704	
Total Capital Assets		151,531	_	162,704	
Other Assets					
Loans receivable from other County funds		31,617		23,210	
Other assets		6,643		7,296	
Total Other Assets		38,260	_	30,506	
Total Non-Current Assets		321,779	_	332,159	
TOTAL ASSETS	\$	437,799	\$_	454,120	

Continued

See accompanying independent auditor's report.

	At September 30,			
		2009		2008
		(In th	ousan	ds)
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Payable from Unrestricted Assets				
Accounts payable and accrued expenses	\$	13,716	\$	9,249
Due to other County funds		1,323		1,521
Other current liabilities - compensated absences		1,492		1,467
Other current liabilities - other		180		188
Current portion of liability for closure and postclosure care costs		7,216		6,583
Total Payable from Unrestricted Assets		23,927	_	19,008
Payable from Restricted Assets				
Accrued interest payable		3,446		3,759
Current portion of bonds & notes payable		15,107		14,384
Accounts payable, restricted		1,916		24
Total Payable from Restricted Assets		20,469	_	18,167
Total Current Liabilities		44,396	_	37,175
LONG-TERM LIABILITIES				
Long-term portion of bonds & notes payable, net		165,822		176,964
Liability for closure & postclosure care costs		93,020		106,920
Other long-term liabilities - compensated absences		4,291		4,290
Other long-term liabilities - other		2,255		1,364
Total Long-Term Liabilities		265,388	_	289,538
Total Liabilities	_	309,784	_	326,713
NET ASSETS				
TOTAL NET ASSETS	\$	128,015	\$_	127,407

For fiscal year 2009, loans receivable from other County funds balance (current \$3,859 and long term \$29,398) will be eliminated in the combined Statement of Net Assets presentation.

For fiscal year 2008, loan receivable from other County funds balance (current \$3,790 and long term \$21,861) will be eliminated in the combined Statement of Net Assets presentation.

See accompanying independent auditor's report.



# Disposal System

Supplemental Schedules of Revenues, Expenses and Changes in Fund Net Assets

		For the years ended September 30,			
	_	2009	2008		
		(In th	nousand	ls)	
Operating Revenues					
Solid waste disposal services	\$	60,117	\$	65,617	
Utility service fees		19,559		18,067	
Electricity sales		27,911		28,000	
Other operating revenues	_	14,808		14,531	
Total Operating Revenues	_	122,395	. <u> </u>	126,215	
Operating Expenses					
Landfill & disposal operations, net of change in closure & postclosure care cost estimates for active landfills		16,438		22,746	
Waste-to-energy		81,002		72,893	
Transfer operations		26,395		28,635	
Recycling		452		134	
Facility maintenance		2,281		1,900	
County wide lot clearing		81		(154)	
Enforcement and				,	
environmental compliance		3,926		3,515	
General and administrative	_	13,211	<u> </u>	13,805	
Total	_	143,786	. <u>-</u>	143,474	
Depreciation		22,710		25,779	
Closure and Postclosure Care Costs/ (Recovery) for Inactive Landfills	_	(7,211)		2,803	
Total Operating Expenses		159,285	_	172,056	
Operating Loss	_	(36,890)	. <u> </u>	(45,841)	
Non-Operating Revenues (Expenses)					
Interest income		3,502		6,950	
Interest expense		(8,526)		(9,188)	
Closure grants		(5,560)		(1,041)	
Other non-operating, net	_	(444)	. <u> </u>	(574)	
Total Non-Operating Expenses, Net	_	(11,028)		(3,853)	
Contributions	_	739	_	216	
Transfer In	_	2,239	(1)	2,582	(2)
Changes in Fund Net Assets	\$_	(44,940)	\$	(46,896)	

<sup>(1)</sup> Reflects gain in the sale of land (portion of NW 58th Street Landfill) to MDPD for \$2,297,960.

<sup>(2)</sup> Reflects gain in the sale of land (portion of NW 58th Street Landfill) to Parks for \$2,582,176. See accompanying independent auditor's report.

# Waste Collection System

Supplemental Schedules of Net Assets

	At September 30,				
		2009		2008	
		(In tho	usand	s)	
ASSETS					
CURRENT ASSETS					
Unrestricted Assets					
Cash and cash equivalents	\$	7,441	\$	9,331	
Investments		36,128		34,337	
Accounts receivable, net		2,821		3,239	
Due from other governments		195		378	
Total Unrestricted Assets		46,585		47,285	
Particular Associa					
Restricted Assets		204		007	
Cash and cash equivalents		201		237	
Investments		265		320	
Total Restricted Assets		466		557	
Total Current Assets		47,051		47,842	
NON-CURRENT ASSETS					
Capital Assets, net		52,762		58,029	
Total Capital Assets		52,762		58,029	
Other Assets					
Other assets		142		181	
Total Other Assets		142		181	
Total Non-Current Assets		52,904		58,210	
TOTAL ASSETS	\$	99,955	\$	106,052	

Continued

See accompanying independent auditor's report.

# Waste Collection System

Supplemental Schedules of Net Assets

	At September 30,				
	2009		2008		
		(In thou	ısand	s)	
LIABILITIES AND NET ASSETS					
CURRENT LIABILITIES					
Payable from Unrestricted Assets					
Accounts payable and accrued expenses	\$	2,801	\$	8,257	
Due to other County funds		3,859		8,149	
Other current liabilities - compensated absences		2,430		2,344	
Other current liabilities - other		466		394	
Total Payable from Unrestricted Assets		9,556	_	19,144	
			_		
Payable from Restricted Assets					
Accrued interest payable		291		355	
Current portion of bonds and notes payable		3,716		3,603	
Total Payable from Restricted Assets		4,007	-	3,958	
			_		
Total Current Liabilities		13,563		23,102	
			_		
LONG-TERM LIABILITIES					
Long-term portion of bonds and notes payable, net		15,838		19,702	
Other long-term liabilities - compensated absences		6,953		6,822	
Due to other County funds - long term		29,398		21,861	
Other long-term liabilities - other		338		240	
Total Long-Term Liabilities	•	52,527	-	48,625	
			-		
Total Liabilities		66,090		71,727	
			-		
NET ASSETS					
TOTAL NET ASSETS	\$	33,865	\$	34,325	

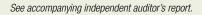
For fiscal year 2009, due to other County funds balance (current \$3,859 and long term \$29,398) will be eliminated in the combined Statement of Net Assets presentation.

For fiscal year 2008, due to other County funds balance (current \$3,790 and long term \$21,861) will be eliminated in the combined Statement of Net Assets presentation.

# Waste Collection System

Supplemental Schedules of Revenues, Expenses and Changes in Fund Net Assets

		For the years ended September 30,				
		2009	2008			
		(In th	nousai	nds)		
Operating Revenues						
Solid waste collection services	\$	142,090	\$	143,497		
Other operating revenues	-	643		547		
Total Operating Revenues	-	142,733		144,044		
Operating Expenses						
Garbage collection		37,734		38,688		
Trash collection		16,834		17,462		
Recycling		15,798		25,116		
Litter control		1,553		1,435		
Enforcement and environmental compliance		4,325		3,778		
General and administrative	-	11,709		11,237		
Total	-	87,953		97,716		
Depreciation	-	9,777		9,505		
Total Operating Expenses	-	97,730		107,221		
Operating Income	-	45,003		36,823		
Non-Operating Revenues (Expenses)						
Interest income		530		2,021		
Interest expense		(822)		(978)		
Other non-operating, net	-	377		185		
Total Non-Operating Revenues (Expenses), Net		85		1,228		
Changes in Fund Net Assets	\$	45,088	\$	38,051		





# Statistical Section

(UNAUDITED)

#### FINANCIAL TRENDS

This schedule contains trend information to assist the reader understand how the Department's financial performance and financial condition have changed over time (see Table I).

#### REVENUE CAPACITY

These schedules contain information to assist the reader assess the factors affecting the Department's ability to generate its most significant revenues by revenue type and source (see Tables IIIA, IIIB, V, VI, VII and XIV).

#### DEBT CAPACITY

This schedule presents information to help assist the reader assess the Department's current debt burden and the Department's ability to issue additional debt (see Table XII).

### DEMOGRAPHIC AND ECONOMIC INDICATORS

This schedule presents information to assist the reader understand the socioeconomic environment in which the Department operates (see Table IX).

### OPERATING INFORMATION

This schedule contains information about the Department's resources and operations to assist the reader understand the interaction of the activities it performs, the services it provides and the financial information presented herein (see Table XV).

### MISCELLANEOUS INFORMATION

These schedules contain additional statistical information to the reader of these financial statements (see Tables II, IVA, IVB, VIII, X, XI and XIII).

Schedule of Revenues, Expenses & Changes in Fund Net Assets and Schedule of Net Assets (Unaudited)

Last Ten Years (In Thousands)

Tipping Fees	OPERATING REVENUE	FY 2000	FY 2001	FY 2002
Medley Surcharge         1,276         1,611         1,031           Electrical Revenue         15,671         15,080         16,383           Utility Service Fee         15,232         14,587         14,528           Disposal Facility Fee         8,227         8,339         8,089           Collections Revenue         97,954         101,912         100,599           Other Operating Revenue         2,190         4,391         10,599           Other Operating Revenues         196,987         191,703         196,564           OPERATING & MAINTENANCE EXPENSES         Landfill Operations         28,592         5,290         19,042           Landfill Operations         13,196         15,189         16,617           Waste-to-Energy         58,970         61,550         61,366           Garbage Collections         24,782         27,924         31,394           Transfer Operating         9,837         9,400         10,106           Recycling         9,837         9,400         10,106           Other Operating         23,898         26,346         28,781           Total Operating Expenses         171,142         161,078         183,324           Operating Income Before         25,845	Tinning Fore	<b>Ф</b> БС 0.4С	Ф4F 700	Φ <b>C</b> 4 Ω <b>C</b> 4
Electrical Revenue			•	
Utility Service Fee   15,323   14,587   14,528   Disposal Facility Fee   8,227   8,339   8,089   Collections Revenue   97,854   101,912   100,599   Collections Revenue   2,190   4,391   3,973   Total Operating Revenue   196,987   191,703   196,554   DEPERATING & MAINTENANCE EXPENSES     Landfill Operations   28,592   5,290   19,042   17ansfer Operations   13,196   15,189   16,617   16,	•		•	·
Disposal Facility Fee		·	•	·
Collections Revenue         97,954         101,912         100,599           Other Operating Revenue         2,190         4,391         3,973           Total Operating Revenues         196,987         191,703         196,554           OPERATING & MAINTENANCE EXPENSES         191,042         190,042           Landfill Operations         28,592         5,290         19,042           Transfer Operations         13,196         15,189         16,617           Waste-to-Energy         58,970         61,550         61,366           Garbage Collections         24,782         27,924         31,394           Trash Collections         12,067         15,379         16,018           Recycling         9,637         9,400         10,106           Other Operating Expenses         171,142         161,078         183,324           Operating Expenses         171,142         161,078         183,324           Operating Droome Before         25,845         30,625         13,230           Depreciation & Other         25,845         30,625         13,230           Depreciating Income (Loss)         10,705         8,171         (7,939)           NON-Operating Income (Loss)         6,134         6,265         2,914 </td <td>•</td> <td>·</td> <td>•</td> <td>·</td>	•	·	•	·
Detail   Per   P	•	·	•	·
Total Operating Revenues		·	•	·
Depart				
Landfill Operations   28,592   5,290   19,042	. •	196,987	191,703	196,554
Transfer Operations         13,196         15,189         16,617           Waste-to-Energy         58,970         61,550         61,366           Garbage Collections         24,782         27,924         31,394           Trash Collections         12,067         15,379         16,018           Recycling         9,637         9,400         10,106           Other Operating Expenses         171,142         161,078         183,324           Operating Income Before         25,845         30,625         13,230           Depreciation & Other         25,845         30,625         13,230           Depreciation & Other         25,845         30,625         13,230           Depreciation active landfills         704         (1,000)         (2,412)           Operating Income (Loss)         10,705         8,171         (7,939)           NON-OPERATING REVENUE (EXPENSE)         11         (1,000)         (2,412)           Interest Expense         (7,954)         (8,777)         (9,224)           Operating Grants         3,642         1,636         181           Other (1)/(2)/(3)/(4)/(5)         (3,724)         (577)         (607)           Non-Operating Income (Expense), Net         (1,902)         (1,453) </td <td></td> <td></td> <td></td> <td></td>				
Waste-to-Energy         58,970         61,550         61,366           Garbage Collections         24,782         27,924         31,394           Trash Collections         12,067         15,379         16,018           Recycling         9,637         9,400         10,106           Other Operating         23,898         26,346         28,781           Total Operating Expenses         171,142         161,078         183,324           Operating Income Before         25,845         30,625         13,230           Depreciation & Other         25,845         30,625         13,230           Depreciation and postclosure costs (recovery) for inactive landfills         704         (1,000)         (2,412)           Operating Income (Loss)         10,705         8,171         (7,939)           NON-OPERATING REVENUE (EXPENSE)           Interest Income         6,134         6,265         2,914           Interest Expense         (7,954)         (8,777)         (9,224)           Operating Grants         3,642         1,636         181           Other (1)/(2)/(3)/(4)/(5)         (3,724)         (577)         (607)           Non-Operating Income (Expense), Net         (1,902)         (1,453)         (6,	•	·	•	·
Garbage Collections         24,782         27,924         31,394           Trash Collections         12,067         15,379         16,018           Recycling         9,637         9,400         10,106           Other Operating         23,898         26,346         28,781           Total Operating Expenses         171,142         161,078         183,324           Operating Income Before         25,845         30,625         13,230           Depreciation & Other         25,845         30,625         13,230           Depreciation and postclosure costs (recovery) for inactive landfills         704         (1,000)         (2,412)           Operating Income (Loss)         10,705         8,171         (7,939)           NON-OPERATING REVENUE (EXPENSE)         11		·	•	·
Trash Collections         12,067         15,379         16,018           Recycling         9,637         9,400         10,106           Other Operating         23,898         26,346         28,781           Total Operating Expenses         171,142         161,078         183,324           Operating Income Before         25,845         30,625         13,230           Depreciation         14,436         23,454         23,581           Closure and postclosure costs (recovery) for inactive landfills         704         (1,000)         (2,412)           Operating Income (Loss)         10,705         8,171         (7,939)           NON-OPERATING REVENUE (EXPENSE)         10,705         8,171         (7,939)           Interest Income         6,134         6,265         2,914           Interest Expense         (7,954)         (8,777)         (9,224)           Operating Grants         3,642         1,636         181           Other (1)/(2)/(3)/(4)/(5)         (3,724)         (577)         (607)           Non-Operating Income (Expense), Net         (1,902)         (1,453)         (6,736)           Income (Loss) Before Transfers & Capital Contributions         8,803         6,718         (14,675)           OPERATING TRA	<u> </u>	·	•	·
Recycling	•	·	•	•
Other Operating         23,898         26,346         28,781           Total Operating Expenses         171,142         161,078         183,324           Operating Income Before         25,845         30,625         13,230           Depreciation & Other         25,845         30,625         13,230           Depreciation         14,436         23,454         23,581           Closure and postclosure costs (recovery) for inactive landfills         704         (1,000)         (2,412)           Operating Income (Loss)         10,705         8,171         (7,939)           NON-OPERATING REVENUE (EXPENSE)         8,171         (7,939)           Interest Income         6,134         6,265         2,914           Interest Expense         (7,954)         (8,777)         (9,224)           Operating Grants         3,642         1,636         181           Other (1)/(2)/(3)/(4)/(5)         (3,724)         (577)         (607)           Non-Operating Income (Expense), Net         (1,902)         (1,453)         (6,736)           Income (Loss) Before Transfers & Capital Contributions         8,803         6,718         (14,675)           OPERATING TRANSFERS CAPITAL CONTRIBUTIONS (6)(6a)         43,309         10,569         9,986		·	•	·
Total Operating Expenses         171,142         161,078         183,324           Operating Income Before         25,845         30,625         13,230           Depreciation & Other         25,845         30,625         13,230           Depreciation & Other         14,436         23,454         23,581           Closure and postclosure costs (recovery) for inactive landfills         704         (1,000)         (2,412)           Operating Income (Loss)         10,705         8,171         (7,939)           NON-OPERATING REVENUE (EXPENSE)         8,171         (7,939)           Interest Income         6,134         6,265         2,914           Interest Expense         (7,954)         (8,777)         (9,224)           Operating Grants         3,642         1,636         181           Other (1)/(2)/(3)/(4)/(5)         (3,724)         (577)         (607)           Non-Operating Income (Expense), Net         (1,902)         (1,453)         (6,736)           Income (Loss) Before Transfers & Capital Contributions         8,803         6,718         (14,675)           OPERATING TRANSFERS CAPITAL CONTRIBUTIONS (6)(6a)         43,309         10,569         9,986           Transfers in (7)         (54,689)           Changes in Fund Net Assets <td>, ,</td> <td>•</td> <td>•</td> <td>·</td>	, ,	•	•	·
Operating Income Before         25,845         30,625         13,230           Depreciation & Other         25,845         30,625         13,230           Depreciation         14,436         23,454         23,581           Closure and postclosure costs (recovery) for inactive landfills         704         (1,000)         (2,412)           Operating Income (Loss)         10,705         8,171         (7,939)           NON-OPERATING REVENUE (EXPENSE)         10,705         8,171         (7,939)           Interest Income         6,134         6,265         2,914           Interest Expense         (7,954)         (8,777)         (9,224)           Operating Grants         3,642         1,636         181           Other (1)/(2)/(3)/(4)/(5)         (3,724)         (577)         (607)           Non-Operating Income (Expense), Net         (1,902)         (1,453)         (6,736)           Income (Loss) Before Transfers & Capital Contributions         8,803         6,718         (14,675)           OPERATING TRANSFERS CAPITAL CONTRIBUTIONS (6)(6a)         43,309         10,569         9,986           Transfers in (7)         (50,004)         \$8,803         \$17,287         \$4,689)           NET ASSETS Invested in Capital Assets, net of Related Debt	Other Operating			
Depreciation & Other   25,845   30,625   13,230     Depreciation   14,436   23,454   23,581     Closure and postclosure costs (recovery) for inactive landfills   704   (1,000)   (2,412)     Operating Income (Loss)   10,705   8,171   (7,939)     NON-OPERATING REVENUE (EXPENSE)     Interest Income   6,134   6,265   2,914     Interest Expense   (7,954)   (8,777)   (9,224)     Operating Grants   3,642   1,636   181     Other (1)/(2)/(3)/(4)/(5)   (3,724)   (577)   (607)     Non-Operating Income (Expense), Net   (1,902)   (1,453)   (6,736)     Income (Loss) Before Transfers & (1,902)   (1,453)   (6,736)     Income (Loss) Before Transfers & (1,902)   (1,453)   (6,736)     OPERATING TRANSFERS (CAPITAL CONTRIBUTIONS (6)(6a)   43,309   10,569   9,986     Transfers in (7)   (7,939)   (7,948)   (7,954)   (7,954)     Changes in Fund Net Assets   \$8,803   \$17,287   (\$4,689)     NET ASSETS     Invested in Capital Assets, net of Related Debt   \$137,240   \$128,197   \$121,693     Restricted   44,759   75,502   72,766     Unrestricted (Deficit)   (59,024)   (63,437)   (58,886)	· · · · · · · · · · · · · · · · · · ·	171,142	161,078	183,324
Depreciation	Operating Income Before			
Closure and postclosure costs (recovery) for inactive landfills   704   (1,000)   (2,412)	Depreciation & Other	25,845	30,625	13,230
Operating Income (Loss)   10,705   8,171   (7,939)	Depreciation	14,436	23,454	23,581
Interest Income   6,134   6,265   2,914     Interest Expense   (7,954)   (8,777)   (9,224)     Operating Grants   3,642   1,636   181     Other (1)/(2)/(3)/(4)/(5)   (3,724)   (577)   (607)     Non-Operating Income (Expense), Net   (1,902)   (1,453)   (6,736)     Income (Loss) Before Transfers & R8,803   6,718   (14,675)     OPERATING TRANSFERS CAPITAL CONTRIBUTIONS (6)(6a)   43,309   10,569   9,986     Transfers in (7)		704	(1,000)	(2,412)
Interest Income	Operating Income (Loss)	10,705	8,171	(7,939)
Interest Expense   (7,954)   (8,777)   (9,224)     Operating Grants   3,642   1,636   181     Other (1)/(2)/(3)/(4)/(5)   (3,724)   (577)   (607)     Non-Operating Income (Expense), Net   (1,902)   (1,453)   (6,736)     Income (Loss) Before Transfers & (1,902)   (1,453)   (6,736)     Income (Loss) Before Transfers & (1,902)   (1,453)   (6,736)     Income (Loss) Before Transfers & (1,902)   (1,453)   (1,4675)     OPERATING TRANSFERS	NON-OPERATING REVENUE (EXPENSE)			
Operating Grants         3,642         1,636         181           Other (1)/(2)/(3)/(4)/(5)         (3,724)         (577)         (607)           Non-Operating Income (Expense), Net         (1,902)         (1,453)         (6,736)           Income (Loss) Before Transfers & Capital Contributions         8,803         6,718         (14,675)           OPERATING TRANSFERS         CAPITAL CONTRIBUTIONS (6)(6a)         43,309         10,569         9,986           Transfers in (7)         Transfers in Fund Net Assets         \$8,803         \$17,287         (\$4,689)           NET ASSETS           Invested in Capital Assets, net of Related Debt         \$137,240         \$128,197         \$121,693           Restricted         44,759         75,502         72,766           Unrestricted (Deficit)         (59,024)         (63,437)         (58,886)	Interest Income	6,134	6,265	2,914
Other (1)/(2)/(3)/(4)/(5)         (3,724)         (577)         (607)           Non-Operating Income (Expense), Net         (1,902)         (1,453)         (6,736)           Income (Loss) Before Transfers & Capital Contributions         8,803         6,718         (14,675)           OPERATING TRANSFERS CAPITAL CONTRIBUTIONS (6)(6a)         43,309         10,569         9,986           Transfers in (7)	Interest Expense	(7,954)	(8,777)	(9,224)
Non-Operating Income (Expense), Net         (1,902)         (1,453)         (6,736)           Income (Loss) Before Transfers & Capital Contributions         8,803         6,718         (14,675)           OPERATING TRANSFERS CAPITAL CONTRIBUTIONS (6)(6a)         43,309         10,569         9,986           Transfers in (7)	Operating Grants	3,642	1,636	181
(Expense), Net       (1,902)       (1,453)       (6,736)         Income (Loss) Before Transfers & Capital Contributions       8,803       6,718       (14,675)         OPERATING TRANSFERS         CAPITAL CONTRIBUTIONS (6)(6a)       43,309       10,569       9,986         Transfers in (7)	Other (1)/(2)/(3)/(4)/(5)	(3,724)	(577)	(607)
Capital Contributions         8,803         6,718         (14,675)           OPERATING TRANSFERS         CAPITAL CONTRIBUTIONS (6)(6a)         43,309         10,569         9,986           Transfers in (7)         Changes in Fund Net Assets         \$8,803         \$17,287         (\$4,689)           NET ASSETS           Invested in Capital Assets, net of Related Debt         \$137,240         \$128,197         \$121,693           Restricted         44,759         75,502         72,766           Unrestricted (Deficit)         (59,024)         (63,437)         (58,886)		(1,902)	(1,453)	(6,736)
CAPITAL CONTRIBUTIONS (6)(6a)         43,309         10,569         9,986           Transfers in (7)         \$8,803         \$17,287         (\$4,689)           NET ASSETS           Invested in Capital Assets, net of Related Debt         \$137,240         \$128,197         \$121,693           Restricted         44,759         75,502         72,766           Unrestricted (Deficit)         (59,024)         (63,437)         (58,886)		8,803	6,718	(14,675)
Transfers in (7)         \$8,803         \$17,287         (\$4,689)           NET ASSETS         Invested in Capital Assets, net of Related Debt         \$137,240         \$128,197         \$121,693           Restricted         44,759         75,502         72,766           Unrestricted (Deficit)         (59,024)         (63,437)         (58,886)	OPERATING TRANSFERS			
Changes in Fund Net Assets         \$8,803         \$17,287         (\$4,689)           NET ASSETS         Invested in Capital Assets, net of Related Debt         \$137,240         \$128,197         \$121,693           Restricted         44,759         75,502         72,766           Unrestricted (Deficit)         (59,024)         (63,437)         (58,886)		43,309	10,569	9,986
NET ASSETS         Invested in Capital Assets, net of Related Debt       \$137,240       \$128,197       \$121,693         Restricted       44,759       75,502       72,766         Unrestricted (Deficit)       (59,024)       (63,437)       (58,886)	• • • • • • • • • • • • • • • • • • • •			
Invested in Capital Assets, net of Related Debt       \$137,240       \$128,197       \$121,693         Restricted       44,759       75,502       72,766         Unrestricted (Deficit)       (59,024)       (63,437)       (58,886)	Changes in Fund Net Assets	\$8,803	<u>\$17,287</u>	(\$4,689)
Restricted       44,759       75,502       72,766         Unrestricted (Deficit)       (59,024)       (63,437)       (58,886)				
Unrestricted (Deficit) (59,024) (63,437) (58,886)	· · · · · · · · · · · · · · · · · · ·		•	
		44,759	75,502	72,766
Total Net Assets \$122,975 \$140,262 \$135,573	Unrestricted (Deficit)			
	Total Net Assets	\$122,975	\$140,262	\$135,573

SOURCE: Miami-Dade County Department of Solid Waste Management

#### Notes:

- (1) For fiscal year 2005 this figure includes among others, hurricane expenses of approximately \$5.2 million and closure grant of approximately \$6.5 million.
- (2) For fiscal year 2006 this figure includes among others, hurricane expenses of approximately \$8.2 million and closure grant of approximately \$1.5 million.
- 3) For fiscal year 2007 this figure includes among others, hurricane reimbursements of approximately \$18 million and closure grant of approximately \$1.4 million.
- (4) For fiscal year 2008 this figure includes closure grant of approximately \$1 million.

FY 2003	FY 2004	FY 2005		FY 2006		FY 2007		FY 2008		FY 2009	
\$52,722	\$53,066	\$74,407		\$95,530		\$73,097		\$64,929		\$59,521	
513	715	841		974		902		688		596	
19,195	16,593	17,504		23,123		23,704		28,000		27,911	
14,824	15,798	16,657		17,665		17,852		18,067		19,559	
8,157	8,286	8,955		10,965		11,874		11,955		12,026	
104,785	123,224	125,184		128,179		142,193		143,497		142,090	
3,946	4,290	4,167		4,704		4,804		3,123		3,425	
204,142	221,972	247,715		281,140		274,426		270,259		265,128	
12,375	13,992	21,299		27,294		20,502		22,746		16,438	
17,418	24,844	24,601		26,864		27,416		28,635		26,395	
65,383	64,748	64,191		67,368		67,491		72,893		81,002	
32,518	34,415	35,213		38,042		37,492		38,688		37,734	
18,429	13,186	16,113		19,849		16,208		17,462		16,834	
10,249	10,175	11,188		11,404		12,246		25,250		16,250	
28,419	28,906	31,826		32,213		31,791		35,516		37,086	
184,791	190,266	204,431		223,034		213,146	_ =	241,190	_ =	231,739	_
19,351	31,706	43,284		58,106		61,280		29,069		33,389	
25,356	27,913	30,010		29,708		31,443		35,284		32,487	
798	642	746		1,649		955		2,803		(7,211)	
(6,803)	3,151	12,528		26,749	 	28,882		(9,018)	_ =	8,113	_
1,958	1,201	3,084		7,291		11,757		8,971		4,032	
(9,623)	(8,793)	(8,743)		(12,207)		(11,044)		(10,166)		(9,348)	
429	260										
259	789	(13,635)	(1)_	(10,119)	_(2)_	16,660	(3)_	(1,430)	(4)_	(5,627)	(5)
(6,977)	(6,543)	(19,294)		(15,035)		17,373		(2,625)		(10,943)	
(13,780)	(3,392)	(6,766)		11,714		46,255		(11,643)		(2,830)	
973	-	-		-		-		- 216		- 739	
								2,582		2,239	_
(\$12,807)	(\$3,392)	(\$6,766)		\$11,714		\$46,255		(\$8,845)		\$148	_
\$107,846	\$94,847	\$51,983		\$40,991		\$56,871		\$39,864		\$39,343	
70,143	73,663	101,847		103,423		114,505		118,935		114,755	
(55,223) \$122,766	(49,136) \$119,374	(41,222) \$112,608		(20,092) \$124,322		(799) \$170,577		2,933 \$161,732		7,782 \$161,880	_

<sup>(5)</sup> For fiscal year 2009 this figure includes closure grant of approximately \$5.6 million.

<sup>(6)</sup> Capital Contributions (Net) for fiscal year 2000 has been reflected in the Schedule of Revenues, Expenses and Changes in Fund Net Assets for consistency in this presentation.

<sup>(6</sup>a) For FY08 and FY09, capital contributions consist of GOB reimbursement for construction of Cell 5.

<sup>(7)</sup> Transfers In are related to the gain for the sale of 58th ST Landfill to Parks Department in FY2008 and Miami-Dade Police Department in FY2009.

#### **TABLE II**

## Solid Waste Stream Components Explained\* (Unaudited)

Garbage	Trash	Construction and Demolition Debris (C&D)	Agricultural Waste
Source:			
Household and businesses.	Household and businesses.	Construction and demolition projects.	Farming.
Waste types:			
Paper, food waste, glass containers, meal cans, plastics, disposable diapers, aviation ash and recycling residue.	Paper, wood, yard trash textiles, glass, plastics,metals, furniture and other large bulky waste items.	Concrete, brick, wood, metals, glass, and roofing materials	Spoiled or undesirable fruits and vegetables.
Characteristics:			
Contains waste materials that rot, smell, produce liquids, and dissolve in water. Has significant potential to contaminate ground and surface waters. If landfilled it should contain only minute amounts of yard trash.	Contains only minute amounts of food waste. Has lesser potential than garbage to contaminate ground and surface waters.	Generally inert material that does not degrade easily or dissolve in water.	These materials are high in organic content and degrade quickly.
Typical Management M	lethods:		
Recycling, Class I (lined) landfill or incinerator.	Recycling, Class III landfill (which may not require a liner), Class I lined landfill if yard trash is eliminated, or incinerator.	Recycling, C&D unlined landfill, Class II landfill, Class II landfill.	Typically spread on crop fields to increase organic content of soils.

IMPORTANT NOTE: If a particular waste stream component is mixed with a waste stream component that requires a more stringent method of disposal, the entire waste mix must be disposed of using the more stringent methods. For example: if garbage is mixed with trash the entire mix must be disposed of as garbage. Garbage disposal requirements are more stringent than those for trash alone.

- \* The above information is introductory in nature and is not intended as an exhaustive analysis.
- \*\* This category includes household hazardous waste which is exempt from regulation under RCRA due to small quantities generated by households. Such waste may be lawfully placed in a Class I landfill.

Special Waste	Bio-Medical Waste	Hazardous Waste
Source:		
Environmental clean-up utilities, governments and businesses.	Hospitals, clinics, doctor's offices, and medical research facilities.	Businesses, academic research facilities, and households.**
Waste types:		
Contaminated soil, sewage sludge, tires, sterilized medical waste, asbestos, and dead animals.	Dressing, sharps, body tissues, disposable glass or plastic containers, etc.	Corrosive, reactive, and toxic chemicals classified as hazardous wastes under the Resource Conservation and Recovery Act (RCRA)
Characteristics:		
Materials that require special handling due to their unique composition or concentration. Immediate cover is often required.	Materials with a high potential for spread of disease. Must be separated from other wastes.	Materials with a high potential to contaminate the environment. Human or animal contact with these materials is very dangerous. These materials are often highly flammable, toxic and/or corrosives.
Typical Management Methods		
Class I landfill.	Medical waste incinerator. Ash or sterilized medical waste must be disposed of in a Class I landfill.	Fuel blending for reuse, chemical neutralization, hazardous waste incinerator, or hazardous waste depending on material type.



## TABLE IIIA Disposal System (Unaudited)

Tonnage

REVENUE TONS	FY 2000	FY 2001	FY 2002	FY 2003
Clean Yard Trash	107,179	87,551	93,436	96,967
Garbage	911,015	900,246	955,944	1,011,420
Trash (1)	668,141	671,102	740,125	725,796
Storm Related Waste	68,133	1,982		2,847
White Goods (8)				
C & D	304	1,328	83	1
Whole Tires (2)	15,742	14,177	13,801	14,869
Special Waste (3)	5,140	6,560	6,010	7,960
Reduced Fee Cover Material	24,042		14,330	
Non Profit Tonnage				
Total Revenue Tons (4)	1,799,696	1,682,946	1,823,729	1,859,860
Ojus/OSD Waste				
Resources Recovery Plant Demolition & Stormwater Drainage & Cleanout material		44		
Closure debris from RR ashfill to ND				
DSWM furniture to ND				
Resources Recovery Capital Expenses				
Total Tons(4A)/(6)	1,799,696	1,682,990	1,823,729	1,859,860
Equivalent Revenue Tons(4B)	1,780,841	1,682,946	1,812,306	1,859,860
NET DISPOSED TONS:				
South Dade Landfill	380,538	304,573	363,968	429,150
North Dade Landfill	318,200	231,014	331,345	315,522
Resources Recovery Net Incinerated	520,894	537,229	565,489	582,394
Resources Recovery Ashfill	146,705	169,063	147,960	144,100
Contract Disposal:				
To Waste Management	141,457	200,962	122,502	143,107
To Wheelabrator	68,654	44,364	51,762	7,670
Total Net Ton's Disposed	1,576,448	1,487,205	1,583,026	1,621,943

<sup>(1)</sup> Trash includes oversize tires to North Dade Landfill.

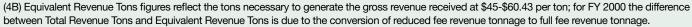
<sup>(2)</sup> Whole tires are accepted at Resources Recovery only.

<sup>(3)</sup> Special waste is accepted at South Dade Landfill only and includes ash, dead animals, asbestos, contaminated soil, oversize tires, sludge and sterile medical waste.

<sup>(4)</sup> Total Revenue Tons figure excludes ash from Okeelanta to RR-Ashfill in FY 2000, pursuant to agreement accepted in lieu of fines.

<sup>(4</sup>A) Total Tons figures herein were reported as Revenue Tons in filings prior to FY 2000. Disposal costs for construction tonnage (Ojus/OSD Waste and RR-Capital Expenses) were reimbursed from capital projects.

FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
53,707	36,454	37,464	28,512	22,617	17,036
1,034,834	1,058,295	1,122,638	1,144,741	1,172,158	1,060,515
657,097	673,696	849,707	660,917	576,408	493,571
19,952	228,023	501,063	-	-	-
				32	38
20	1	21	6	26	-
18,066	24,027	27,397	15,859	9,471	7,698
6,929	5,875	3,936	2,864	3,505	2,814
20,428	16,620	170,681	605,812	39,739	59,921
					4,170
1,811,033	2,042,991	2,712,907	2,458,711	1,823,956	1,645,763
33,442					
40					
.0					
1,844,515	2,042,991	2,712,907	2,458,711	1,823,956	1,645,763
1,794,638	2,029,552	2,574,040	1,960,985	1,791,122	1,593,673
				· <del></del>	· <u></u>
503,846	740,783	873,997	537,675	486,491	321,500
317,758	344,439	582,782	254,285	203,310	172,498
495,023	495,477	533,633	534,934	570,064	750,480
148,769	140,800	158,057	164,439	173,854	160,349
130,319	114,487	247,894	187,258	183,810	147,221
1,595,715	1,835,986	2,396,363	1,678,591	1,617,529	1,552,048



<sup>(5)</sup> Resources Recovery initiated the Recyclable Trash Improvements facility May 1, 1997, which produces fuel pellets for cogeneration uses.



<sup>(6)</sup> FY2000 total tons figure herein has been revised to exclude ash from Okeelanta to correct FY2000 error. This ash tonnage is deemed included in trash and garbage tonnage at the time garbage and trash are received.

<sup>(7)</sup> For fiscal years starting with FY05, this figure includes biomass and primary fines to Northdade.

<sup>(8)</sup> Represents White Goods delivered by customer directly to disposal site.

#### **TABLE IIIA**

### Disposal System (Unaudited)

Tonnage (continued)

	FY 2000	FY 2001	FY 2002	FY 2003
ACILITY RECYCLING				
Clean Yard Trash	16	23		7
ïres to Vendors				
Metal to Vendors	25,494	34,889	32,983	36,024
/hite Goods to Vendor		14		
nders to Test				
h for Testing				
T Biomass Fuel (5)/(7)	102,316	113,257	98,033	143,251
T Fines Recycling	27,648	16,523		
T On-Site Biomass	2,304	8,824		
I On-Site Fines Recycling	34,072	2,289		
ripost				
w Project				
al Facility Recycling	191,850	175,819	131,016	179,282
SOURCES RECOVERY PUT OR PAY	1,060,903	1,136,801	1,137,762	1,221,605
ANSFER STATION				
ntral	205,614	211,237	232,772	234,982
st	280,364	260,088	280,642	293,371
theast	212,693	212,720	214,398	204,049
theast al Transfer Station	212,693 698,671	212,720 684,045	214,398 727,812	204,049 732,402

<sup>(1)</sup> Trash includes oversize tires to North Dade Landfill.

<sup>(2)</sup> Whole tires are accepted at Resources Recovery only.

<sup>(3)</sup> Special waste is accepted at South Dade Landfill only and includes ash, dead animals, asbestos, contaminated soil, oversize tires, sludge and sterile medical waste.

<sup>(4)</sup> Total Revenue Tons figure excludes ash from Okeelanta to RR-Ashfill in FY 2000, pursuant to agreement accepted in lieu of fines.

<sup>(4</sup>A) Total Tons figures herein were reported as Revenue Tons in filings prior to FY 2000. Disposal costs for construction tonnage (Ojus/OSD Waste and RR-Capital Expenses) were reimbursed from capital projects.

<sup>(4</sup>B) Equivalent Revenue Tons figures reflect the tons necessary to generate the gross revenue received at \$45-\$60.43 per ton; for FY 2000 the difference between Total Revenue Tons and Equivalent Revenue Tons is due to the conversion of reduced fee revenue tonnage to full fee revenue tonnage.

FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
			154	95	
34,978	30,319	29,924	43,873	41,872	22,934
7				32	38
179,484	178,290	97,042	108,128	100,285	86,802
					22,685
			8,613	8,011	-
214,469	208,609	126,966	160,768	150,295	132,459
1,183,575	1,122,880	1,241,000	1,083,478	1,134,708	1,188,866
232,381	183,042	214,439	201,156	164,036	158,701
278,503	299,472	304,329	279,726	264,633	238,806
229,297	219,444	247,797	226,760	221,052	196,375
740,181	701,958	766,565	707,642	649,721	593,882
709,000	699,000	583,508	517,767	551,101	551,101

<sup>(5)</sup> Resources Recovery initiated the Recyclable Trash Improvements facility May 1, 1997, which produces fuel pellets for cogeneration uses.

<sup>(6)</sup> FY2000 total tons figure herein has been revised to exclude ash from Okeelanta to correct FY2000 error. This ash tonnage is deemed included in trash and garbage tonnage at the time garbage and trash are received.

<sup>(7)</sup> For fiscal years starting with FY05, this figure includes biomass and primary fines to Northdade.

<sup>(8)</sup> Represents White Goods delivered by customer directly to disposal site.

TABLE III B
Disposal System (Unaudited)

Revenue Tons Source

TONNAGE BY SOURCE	FY 2000	FY 2001	FY 2002	FY 2003
Municipalities:				
Bal Harbour Village	6,095	5,634	5,536	5,762
Town of Bay Harbor Islands	172	193	189	207
Village of Biscayne Park	3,034	2,765	2,750	2,211
City of Coral Gables	41,713	20,467	13,366	20,735
Florida City		1		
Golden Beach		164	181	91
City of Hialeah	82,404	83,468	85,711	87,216
Hialeah Gardens	779	1,150	1,531	1,539
City of Homestead	30,191	31,343	33,186	37,996
City of Miami	177,712	171,892	188,685	193,534
City of Miami Beach	3,257	2,579	4,189	4,387
Village of Miami Shores	7,904	7,972	6,917	6,938
City of Miami Springs	11,518	10,360	10,377	11,481
City of North Bay Village	3,831	4,010	4,382	4,636
City of North Miami	27,779	27,729	28,027	25,385
City of North Miami Beach	38,786	37,657	38,755	40,388
City of Opa-Locka	11,451	8,913	9,214	9,335
City of South Miami	10,416	10,273	10,293	9,828
Town of Surfside	4,639	4,771	4,882	5,035
City of Sweetwater	3,054	3,203	2,662	2,900
Virginia Gardens				
City of West Miami	3,338	3,446	3,331	3,495
Total Municipalities	468,073	437,990	454,164	473,099

<sup>(1)</sup> FY2000 total tons figure herein has been revised to exclude ash from Okeelanta to correct FY2000 error. This ash tonnage is deemed included in trash and garbage tonnage at the time garbage and trash are received.

<sup>(2)</sup> Equivalent Revenue Tons figure reflects the tons necessary to generate the gross revenue received at \$45-\$60.43 per ton; for FY2000 the difference between Total Rev. Tons & Eq. Rev. Tons is due to the conversion of reduced fee revenue tonnage to full fee revenue tonnage.

<sup>(3)</sup> Combined with other permit haulers in FY 2003.

<sup>(4)</sup> In prior years, this tonnage figure was reported on table 4A. This tonnage represents landscaper activity at the landfills.

<sup>(5)</sup> Formaly reported as BFI.

FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
5,855	6,069	6,056	5,340	5,225	4,229
307	289	258	263	290	227
2,459	2,612	2,552	1,745	1,740	2,153
24,207	27,516	21,199	13,459	11,611	10,679
		32	8		
98	240	559	134	77	156
88,978	91,956	91,021	85,162	83,257	77,395
1,808	1,987	2,250	1,147	907	947
40,130	44,900	59,443	50,378	50,151	46,166
177,297	181,402	236,939	151,956	137,122	126,332
4,351	5,648	6,008	6,529	5,988	4,415
8,200	13,393	13,980	12,834	12,066	11,413
11,944	10,648	5,719	4,540	4,630	4,010
4,987	4,983	4,780	4,140	4,635	4,509
27,234	30,332	36,856	27,091	25,635	23,800
41,677	42,192	52,998	41,274	37,572	34,700
77	235	658	1,357	949	883
10,937	14,735	17,008	9,699	10,024	9,547
5,240	5,225	5,140	5,040	5,006	4,589
3,367	3,075	3,056	2,581	2,378	2,692
3,817	3,695	3,492	3,007	3,066	2,615
462,970	491,132	570,004	427,684	402,329	371,457



#### **TABLE III B**

### Disposal System (Unaudited)

Revenue Tons Source (continued)

TONNAGE BY SOURCE	FY 2000	FY 2001	FY 2002	FY 2003
Permitted Haulers				
BFI/WSI (5)	252,738	224,611	233,170	237,874
WMI	93,294	90,959	91,191	92,281
Onyx (3)	14,393	3,789	12,709	-
Other Permitted Haulers	72,986	78,116	95,009	90,675
<b>Total Permitted Haulers</b>	433,411	397,475	432,079	420,830
DSWM Collections	750,381	768,670	843,696	885,765
Permitted Landscapers (4)				
DSWM County-wide Lot Clearing	16,609	2,269	2,708	2,355
Other Governmental	107,166	76,542	76,752	77,811
MRF and Namco Recycling Residue	14			
Subtotal Full Fee Revenue Tons	1,775,654	1,682,946	1,809,399	1,859,860
Reduced Fee Cover Material	24,042		14,330	-
Non Profit Tonnage				
Total Revenue Tons	1,799,696	1,682,946	1,823,729	1,859,860
DSWM Construction Tons				
Closure debris from RR ashfill to ND				
DSWM furniture to ND (no fee)				
Resources Recovery Plant Demolition &				
Stormwater Drainage & Cleanout material		44		
Total Tons (1)	1,799,696	1,682,990	1,823,729	1,859,860
Equivalent Revenue Tons (2)	1,780,841	1,682,946	1,812,306	1,859,860

<sup>(1)</sup> FY2000 total tons figure herein has been revised to exclude ash from Okeelanta to correct FY2000 error. This ash tonnage is deemed included in trash and garbage tonnage at the time garbage and trash are received.

<sup>(2)</sup> Equivalent Revenue Tons figure reflects the tons necessary to generate the gross revenue received at \$45-\$60.43 per ton; for FY2000 the difference between Total Rev. Tons & Eq. Rev. Tons is due to the conversion of reduced fee revenue tonnage to full fee revenue tonnage.

<sup>(3)</sup> Combined with other permit haulers in FY 2003.

<sup>(4)</sup> In prior years, this tonnage figure was reported on table 4A. This tonnage represents landscaper activity at the landfills.

<sup>(5)</sup> Formaly reported as BFI.

	FY 2004	FY 2005		FY 2006	FY 2007	FY 2008	FY 2009
	234,928	230,868		231,104	220,569	221,288	197,549
	93,056	88,152		92,869	105,851	98,581	101,282
-							
	99,038	139,328	_	253,578	246,071	230,271	153,332
	427,022	458,348	_	577,551	572,491	550,140	452,163
	834,101	971,212		1,234,483	764,582	744,925	676,676
		35,857	(4)	37,385	28,455	22,483	17,003
	2,851	2,989		1,571	1,980	403	
	63,661	66,833		121,232	57,707	63,937	64,373
			_				
	1,790,605	2,026,371		2,542,226	1,852,899	1,784,217	1,581,672
	20,428	16,620		170,681	605,812	39,739	59,921
			_				4,170
	1,811,033	2,042,991		2,712,907	2,458,711	1,823,956	1,645,763
	33,442						
	40						
			_				
	1,844,515	2,042,991	=	2,712,907	2,458,711	1,823,956	1,645,763
	1,794,638	2,029,552		2,574,040	1,960,985	1,791,122	1,593,673



TABLE IV A
Collection System (Unaudited)

Tonnage by Type

	FY 2000	FY 2001	FY 2002	FY 2003
GARBAGE	382,100	393,618	416,418	439,649
TRASH				
Bulky Waste	69,438	72,537	71,426	75,947
Clean Yard Trash				
Total Bulky Waste	69,438	72,537	71,426	75,947
ILLEGAL DUMPING				
Illegal Dumped Waste	10,105	7,628	11,910	7,597
Illegal Tires	1,394	1,268	1,102	698
Total Illegal Dumping	11,499	8,896	13,012	8,295
NEIGHBORHOOD TRASH & RECYCLING C	ENTERS			
Trash (Household) (2)	155,706	193,857	233,962	249,179
Other Trash- Landscapers	·	·	·	·
Clean Yard Trash				
Tires	880	779	860	945
Other Waste	32	60	40	39
Total Neighborhood T & R Center	156,618	194,696	234,862	250,163
GOVERNMENT ACCOUNTS				
Trash	4,867	7,436	7,792	6,630
Whole Tires	43	71	60	17
Total Trash Government Accounts	4,910	7,507	7,852	6,647
BI-WEEKLY YARD TRASH				
LOT CLEARING (CAT3)	1,656	6,205	5,709	4,061
ADOPT-A-SPOT	·	146	11	-
SPECIAL CLEANUPS		1,427		
OVERSIZED VEHICLES FR T&R CENTERS	1,220	1,350	955	759
DSWM LITTER PROGRAM	752	647	1,141	1,303
CHRISTMAS TREES				
DEMOLITION TONNAGE	2,360	2,322		
PERMITTED LANDSCAPERS	68,182	77,784	92,310	96,094
TOTAL TRASH	316,635	373,517	427,278	443,269
TOTAL TRASH AND GARBAGE	698,735	767,135	843,696	882,918

<sup>(1)</sup> From FY 05 and forward this tonnage figure is being reported on table 3B. This tonnage represents landscaper activity at the landfills.

<sup>(2)</sup> Prior to FY 2004 these figures included Household & Non-household trash.

FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
452,736	465,989	480,600	483,349	492,947	442,814
91,603	97,327	128,440	76,373	66,825	67,457
	1,693	1,389	2		
91,603	99,020	129,829	76,375	66,825	67,457
1,488	1,738	2,841	3,144	2,312	1,980
500	274	340	347	211	185
1,988	2,012	3,181	3,491	2,523	2,165
150 075	140 700	136,656	177 202	160 226	142 940
159,875	148,782		177,323	160,226	143,840
43,434	26,569	17,792	14,757	13,849	12,279
929	757	766	120	054	004
929 59	757 52	29	859 40	854 264	994 323
			193,099		157,436
204,297	176,160	155,243	193,099	175,193	157,436
5,888	6,486	5,883	6,510	5,795	5,358
92	28	142	232	71	15
5,980	6,514	6,025	6,742	5,866	5,373
868	1,185				
000	1,100				
	17			2	
680	563	534	240	274	223
1,134	1,064	1,163	1,268	1,280	1,208
			18	15	
53,028(1)					
359,578	286,535	295,975	281,233	251,978	233,862
812,314	752,524	776,575	764,582	744,925	676,676



TABLE IV A
Collection System (Unaudited)

	FY 2000	FY 2001	FY 2002	FY 2003
STORM RELATED TONNAGE	51,646	1,535		
Garbage				278
Trash (curbside)				2,569
IURRICANE DEBRIS				
Roadway Clearance				
rash & Recycling Centers				
tter Program				
versized Vehicles from T&R Centers				
overnment Accounts				
tage Rejects				
age Mulch				
OTAL STORM RE/ TONNAGE & URRICANE DEBRIS	51,646	1,535		2,847
DTAL GARBAGE, TRASH & STORM E/TONNAGE & HURRICANE DEBRIS	750,381	768,670	843,696	885,765
CYCLED CLEAN YARD TRASH	-	-	<u> </u>	-
CYCLABLES (T & R CENTERS)				
one Books				
one Books wspaper/Cardboard				
one Books wspaper/Cardboard ass				
one Books wspaper/Cardboard ass uminum				
one Books wspaper/Cardboard ass uminum astic Bottles	4,711	5,155	4,064	6,415
one Books wspaper/Cardboard ss minum stic Bottles ite Goods	4,711	5,155	4,064	6,415
one Books wspaper/Cardboard ass uminum astic Bottles aite Goods arous Metal	4,711	5,155 5,155	4,064	6,415
ewspaper/Cardboard ass  uminum astic Bottles hite Goods errous Metal  DTAL T&R RECYCLABLES  JRBSIDE RECYCLABLES			·	
one Books wspaper/Cardboard ass aminum astic Bottles nite Goods rrous Metal DTAL T&R RECYCLABLES			·	
wspaper/Cardboard uss minum stic Bottles ite Goods rrous Metal TAL T&R RECYCLABLES URBSIDE RECYCLABLES one Books		5,155	·	
wspaper/Cardboard ass minum stic Bottles iite Goods rrous Metal TAL T&R RECYCLABLES BRBSIDE RECYCLABLES one Books wspaper/Cardboard	4,711	5,155	4,064	6,415
one Books vspaper/Cardboard ss minum stic Bottles tte Goods rous Metal TAL T&R RECYCLABLES RBSIDE RECYCLABLES one Books vspaper/Cardboard ss Bottles	4,711	5,155 32 23,235	22,134	6,415
one Books wspaper/Cardboard ass aminum astic Bottles aite Goods arous Metal attal T&R RECYCLABLES arrange Books asspaper/Cardboard ass Bottles aminum	26,967 12,334	5,155 32 23,235 9,706	22,134 9,568	6,415 21,163 9,265
wspaper/Cardboard ass uminum astic Bottles aite Goods arous Metal attal T&R RECYCLABLES are Books ass Bottles ass Bottles aminum astic Bottles & Other Plastics	26,967 12,334 529	32 23,235 9,706 494	22,134 9,568 434	6,415 21,163 9,265 412
one Books ewspaper/Cardboard ass uminum astic Bottles nite Goods errous Metal OTAL T&R RECYCLABLES URBSIDE RECYCLABLES one Books ewspaper/Cardboard ass Bottles uminum astic Bottles & Other Plastics eel Cans	26,967 12,334 529 3,583	32 23,235 9,706 494 3,875	22,134 9,568 434 4,272	21,163 9,265 412 4,181
ewspaper/Cardboard ass uminum astic Bottles hite Goods errous Metal DTAL T&R RECYCLABLES	26,967 12,334 529 3,583 2,133	5,155 32 23,235 9,706 494 3,875 1,852	22,134 9,568 434 4,272	21,163 9,265 412 4,181

<sup>(1)</sup> From FY 05 and forward this tonnage figure is being reported on table 3B. This tonnage represents landscaper activity at the landfills.

<sup>(2)</sup> Prior to FY 2004 these figures included Household & Non-household trash.

FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
4 704	0.400	0.000			
1,724	2,462	2,808			
5,728	18,069	38,121			
	173,798	127,731			
14,261	23,949	51,405			
3	72	78			
	16	111			
71	322	316			
		43,325			
		194,013			
21,787	218,688	457,908			
834,101	971,212	1,234,483	764,582	744,925	676,676
6,729	6,060	6,799	6,426	3,423	3,228
6,729	6,060	6,799	6,426	3,423	3,228
6,729	6,060	6,799	6,426	3,423	3,228
6,729	6,060	6,799	6,426	3,423	3,228
19,240 9,598	19,451 10,346	6,799 18,995 9,831	17,098 8,549	3,423 14,611 8,531	3,228 34,945 16,576
19,240 9,598 333	19,451 10,346 275	18,995 9,831 288	17,098 8,549 202	3,423 14,611 8,531 243	3,228 34,945 16,576 794
19,240 9,598 333 4,108 1,373	19,451 10,346 275 3,893 1,227	18,995 9,831 288 3,649 1,124	17,098 8,549 202 3,327 988	3,423 14,611 8,531 243 2,958 895	34,945 16,576 794 5,179 1,611
19,240 9,598 333 4,108	19,451 10,346 275 3,893	18,995 9,831 288 3,649	17,098 8,549 202 3,327	3,423 14,611 8,531 243 2,958	34,945 16,576 794 5,179



TABLE IV B
Collection System (Unaudited)

Tonnage by Facility

	FY 2000	FY 2001	FY 2002	FY 2003
COLLECTIONS DISPOSAL				
Transfer Station				
Garbage (4)	232,275	251,447	279,377	290,375
Storm Related Tonnage	19,147	904		1,724
Trash	115,174	112,877	125,414	111,224
Total Transfer Station	366,596	365,228	404,791	403,323
South Dade Landfill				
Garbage (4)	91,133	88,716	93,347	104,841
Storm Related Tonnage	15,457	357		
Trash	75,707	88,806	99,265	114,305
Clean Yard Trash	40,894	45,438	56,382	59,290
Total South Dade Landfill	223,191	223,317	248,994	278,436
North Dade Landfill				
Trash	43,407	65,703	72,414	77,540
Storm Related Tonnage	11,541	207		983
Clean Yard Trash	27,288	32,346	35,928	36,572
Total North Dade Landfill	82,236	98,256	108,342	115,095
Resource Recovery				
Garbage (4)	58,692	53,455	43,694	44,433
Storm Related Tonnage	2,965	67		140
Trash	12,832	27,190	37,255	43,362
Clean Yard Trash				232
Total Resource Recovery	74,489	80,712	80,949	88,167

Note: 2000 fee: \$46.35/\$61 per ton, 2001 fee: \$47.95/\$63.15 per ton, 2002 fee:\$49.30/\$64.95 per ton, 2003 fee:\$49.65/\$65.45 per ton, 2004 fee:\$50.65/\$66.80 per ton, 2005 fee:\$52.25/\$68.90 per ton, 2006 fee: \$53.65/\$70.75 per ton, 2007 fee: \$56.05/\$73.90 per ton, 2008 fee: \$57.56/\$75.89 per ton, 2009 fee: \$60.43/\$79.68 per ton.

<sup>(1)</sup> The eliminating entry between funds totaled approximately \$36.4million; it included certain other subobjects and excluded a minor part of the hurricane-disposal-cost-reclassification.

<sup>(2)</sup> The eliminating figures herein exclude hurricane disposal costs elimination of approximately \$2 million.

<sup>(3)</sup> The eliminating figures herein exclude hurricane disposal costs elimination of approximately \$2.4 million.

<sup>(4)</sup> Starting FY 2008 includes Bus Stops Tonnage.

FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
293,249	314,743	311,735	321,858	318,075	290,870
2,237	13,168	12,504			
108,304	84,383	96,181	89,161	86,703	76,958
403,790	412,294	420,420	411,019	404,778	367,828
112,004	116,409	117,623	121,998	143,138	120,726
7,092	158,188	235,653			
97,418	94,368	148,586	132,164	114,788	107,463
30,320					
246,834	368,965	501,862	254,162	257,926	228,189
52,398	66,779	59,499	53,141	45,066	40,822
7,568	41,217	185,275			
16,929					
76,895	107,996	244,774	53,141	45,066	40,822
47,483	34,837	51,242	39,493	31,750	31,218
4,890	6,115	6,475			
48,044	40,793	9,530	6,767	5,405	8,619
5,779					
106,196	81,745	67,247	46,260	37,155	39,837



## TABLE IV B Collection System (Unaudited)

Tonnage by Facility (continued)

	FY 2000	FY 2001	FY 2002	FY 2003
Medley Landfill				
Garbage				
Storm Related Tonnage	2,536			
Trash	1,333	1,157	620	744
Total Medley Landfill	3,869	1,157	620	744
SUMMARY				
Collections Disposal				
Garbage (4)	382,100	393,618	416,418	439,649
Storm Related Tonnage	51,646	1,535		2,847
Trash	248,453	295,733	334,968	347,175
Clean Yard Trash	68,182	77,784	92,310	96,094
Total Collections Disposal	750,381	768,670	843,696	885,765
DISPOSAL FEE SUMMARY				
GARBAGE DIVISION	\$19,692,082	\$21,234,346	\$23,331,593	\$22,445,338
TRASH DIVISION	\$15,734,090	\$19,041,895	\$22,293,426	\$25,532,622
Total Collections	\$35,426,172	\$40,276,241	\$45,625,019	\$47,977,960
Sweetwater Tonnage & Disposal Fee Summary				
Disposal Fee (Trash Division)	\$169,395	\$185,779	\$146,252	\$172,440
Total Disposal Fees paid by Collection	\$35,595,567 (1	\$40,462,020	\$45,771,271	\$48,150,400

Note: 2000 fee: \$46.35/\$61 per ton, 2001 fee: \$47.95/\$63.15 per ton, 2002 fee: \$49.30/\$64.95 per ton, 2003 fee: \$49.65/\$65.45 per ton, 2004 fee: \$50.65/\$66.80 per ton, 2005 fee: \$52.25/\$68.90 per ton, 2006 fee: \$53.65/\$70.75 per ton, 2007 fee: \$56.05/\$73.90 per ton, 2008 fee: \$57.56/\$75.89 per ton, 2009 fee: \$60.43/\$79.68 per ton.

<sup>(1)</sup> The eliminating entry between funds totaled approximately \$36.4million; it included certain other subobjects and excluded a minor part of the hurricane-disposal-cost-reclassification.

<sup>(2)</sup> The eliminating figures herein exclude hurricane disposal costs elimination of approximately \$2 million.

<sup>(3)</sup> The eliminating figures herein exclude hurricane disposal costs elimination of approximately \$2.4 million.

<sup>(4)</sup> Starting FY 2008 includes Bus Stops Tonnage.

FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
386	212	180			
386	212	180			
452,736	465,989	480,600	483,349	492,963	442,814
21,787	218,688	439,907			
306,550	286,535	313,976	281,233	251,962	233,862
53,028					
834,101	971,212	1,234,483	764,582	744,925	676,676
\$25,946,874	\$27,636,798	\$29,074,940	\$30,467,061	\$32,033,808	\$30,404,367
\$20,381,568	\$15,969,195	\$16,277,750	\$17,010,785	\$15,613,760	\$14,953,209
\$46,328,442	\$43,605,993	\$45,352,690	\$47,477,846	\$47,647,568	\$45,357,576
\$204,047	\$191,768	\$196,341	\$168,729	\$164,856	\$190,814
\$46,532,489	\$43,797,761 (2)	\$45,549,031 (3)	\$47,646,575	\$47,812,424	\$45,548,390



TABLE V
Collection System (Unaudited)

Customer Statistics

	FY 2000	FY 2001	FY 2002	FY 2003
HOUSEHOLDS (5)				
Units as of October 1st	275,026	280,053	285,549	290,153
Units as of September 30th	280,053	285,549	290,153	296,969
Billed by Tax	278,749	284,053	289,178	295,733
Billed October 1st	787	645	343	736
Net Growth	5,027	5,496	4,604	6,816
Take-in- area (4)				
Average Annual Number of Units	277,377	282,593	287,926	293,410
HOUSEHOLD/COMMERCIAL (6)				
Units as of October 1 (1)	3,849	3,837	3,804	3,646
Billed by Tax	2,860	2,845	2,822	2,792
Billed During the Year	973	972	873	857
Average Annual Number of Units	3,853	3,827	3,667	3,685
CITY OF MIAMI HUD				
Households (5)	104	104	104	104
Household/commercial (6)	973	972	873	857
COMMERCIAL:				
Units as of October 1	1,145	1,076	1,004	960
Average Annual Units	1,090	1,021	977	916
Rollaway (Dumpsters)	29	28	28	29
RECYCLING:				
Outside Department Service Area-Household (2)	4,915	4,784	4,320	3,363
Participating Municipalities Households	23,056	23,056	23,056	23,104
LANDSCAPE PERMITS				
Permits	1,067	1,178	1,234	1,080
Trucks	1,424	1,561	1,611	1,431
Fee Per Unit (Collection's Service)				
Fee (Including Recycling)	\$349	\$349	\$349	\$349
Waste Collected by Department as % of Total Tipped (3)	42.14%	45.67%	46.55%	47.63%

<sup>(1)</sup> Change in method beginning fiscal year 1995 from number of waste units of living units billed.

<sup>(2)</sup> Reduction after fiscal 1996 due to expanded take-in areas.

<sup>(3)</sup> Total equivalent revenue tons used.

<sup>(4)</sup> Residential Units due to take-in area.

<sup>(5)</sup> Households include residential dumpsters and City of Miami HUD households.

<sup>(6)</sup> Household/Commercial include City of Miami HUD Commercial

FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
296,969	302,313	309,907	319,064	321,438	323,128
302,313	309,907	319,064	321,438	323,128	323,812
301,007	306,037	311,897	318,341	322,352	323,403
522	731	919	842	765	125
5,344	7,594	9,157	2,374	1,690	684
299,747	306,713	314,647	318,972	322,534	323,471
3,673	3,673	3,711	3,706	3,722	3,735
2,803	2,832	2,894	2,975	2,877	2,898
870	841	857	857	912	877
3,673	3,685	3,732	3,715	3,758	3,782
104	104	104	104	104	104
857	857	857	857	857	857
55.	55.	<b>55</b> .	<b>55</b> .	55.	33.
896	880	876	889	907	970
880	870	880	888	915	992
29	29	29	29	30	28
3,259	3,189	2,797	2,584	2,512	2,417
23,137	23,293	23,096	22,017	21,837	20,824
791	848	708	510	475	532
1,046	1,259	933	694	610	727
1,040	1,209	900	034	010	121
\$399	\$399	\$399	\$439	\$439	\$439
46.48%	47.85%	47.96%	38.99%	41.59%	42.46%



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Revenue by Type (Unaudited)

ТҮРЕ	DESCRIPTION	FY 2007	FY 2008	FY 2009
Collections Revenue	Received for curbside collection of garbage and trash. Customers as equivalent residential units at September 30, 2009, 2008 and 2007 were 323,812, 323,128 and 321,438, respectively. DSWM provides solid waste collection service to unincorporated Miami-Dade County residential units (single-family, townhomes, cluster homes , etc.). Additionally, DSWM provides waste collection services to the City of Sweetwater through a long-term interlocal agreement. In November 1995, the City of Aventura entered into an interlocal agreement authorizing the County to provide waste collection services on an interim basis. DSWM continues to provide these services to the City of Aventura although the original agreement is no longer in effect; however, the number of units served is minimal (approximately 200 units). DSWM serves the Village of Pinecrest, Sunny Isles Beach, the Town of Miami Lakes, the Village of Palmetto Bay, the City of Miami Gardens, the City of Doral and the Town of Cutler Bay; all these pursuant to Ordinance 96-30.	\$ 142,193	(In thousand	\$ 142,090
Tipping Fees	The County charges tipping fees for use of its disposal facilities. Municipalities with long term interlocal agreements received disposal services at a disposal fee of \$60.43, \$57.56, and \$56.05 per ton during fiscal years 2009, 2008 and 2007, respectively. These fees are subject to annual increases based on Consumer Price Index (CPI). There were 18 cities with interlocal agreements as of September 30, 2009. Private haulers with long term contracts for disposal also received the \$60.43 tipping fee per ton; at September 30, 2009, 18 private haulers were receiving the lower fee. County agencies also received the \$60.43 tipping fee. For waste delivered to one of the County's regional transfer stations the additional charge was \$11.90 per ton during fiscal year 2009. The non-contractual rate			
	was \$79.68 per ton during fiscal year 2009.	73,097	64,929	59,521
Medley Surcharge	The Department receives a surcharge on each ton of waste disposed at the Medley Landfill by Waste Management, pursuant to the agreement approved by the Board of County Commissioners on July 21, 1998.	902	688	596
Electrical Revenue	The Department receives electrical revenue from the sale of electricity produced at the Resources Recovery waste-to-energy facility.	23,704	28,000	27,911
Utility Service Fee	Revenues directed to the DSWM based on 3 1/2% out of the 7 1/2% surcharge on water and waste water bills countywide. By code limited to closure, postclosure care and other groundwater protection programs.	17,852	18,067	19,559
Disposal Facility Fee	Since fiscal year 1996, private haulers have been assessed a fee based on a percentage of their gross receipts from their customers located in unincorporated Miami-Dade County. The fee has been 15% in fiscal years 2007, 2008 and 2009. The fee is used to ensure capacity in operations.	12,181	11,955	12,026
Other Operating	Includes office rental income, parking facilities revenue, code enforcement fines, permit fees, UMSA and other			
Revenue	miscellaneous income.	4,497	3,123	3,425
Total		\$ 274,426	\$ 270,259	\$ 265,128

#### TABLE VII

### Resources Recovery (Unaudited)

Electrical Revenues

	FY 2000	FY 2001	FY 2002	FY 2003
Total Electrical Revenue	\$15,671,226	(1) \$15,080,963	\$16,383,434	\$19,194,513
Deducted Expenses:				
Electricity Costs	\$282,061	\$294,945	\$374,033	\$378,702
Other Related Costs	\$1,015,133	(2)(3) \$1,369,932	\$1,459,016	\$1,452,834
Net Miami-Dade County Revenue	\$7,328,046	\$6,855,512	\$7,462,209	\$8,870,839
Net Montenay Power Corporate Revenue	\$7,045,986	\$6,560,574	\$7,088,176	\$8,492,137
KWH Produced	269,207,000	288,535,000	277,327,000	297,098,000

<sup>(1)</sup> Includes a one time payment of \$2.15 million pursuant to a settlement agreement among FPC, the Operator and the County.

<sup>(2)</sup> Includes transmission charges adjustments totaling approximately \$765,000.

<sup>(3)</sup> FY 1999-2000 figures herein have been revised to include FPC & Doral Station costs.

FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
\$16,592,996	\$17,503,843	\$23,123,631	\$23,703,597	\$28,000,596	\$27,911,369
\$323,197	\$346,003	\$256,610	\$239,025	\$268,509	\$258,561
\$1,434,003	\$1,428,529	\$1,557,725	\$1,552,486	\$1,703,885	\$1,557,901
\$7,579,497	\$8,037,657	\$10,782,953	\$11,075,556	\$13,193,356	\$13,176,734
\$7,256,299	\$7,691,654	\$10,526,343	\$10,836,530	\$12,924,847	\$12,918,173
250,563,000	233,258,000	293,247,000	291,314,000	312,174,000	304,098,000



Home Chemical Collection Program (Unaudited)

	FY 2000	FY 2001	FY 2002	FY 2003
PARTICIPANTS				
Florida International University - North			115	92
liami Dade Community College - North	40	87		
liami Dade Community College - South	348	618	646	475
outh Dade Government Center				
iscayne Greyhound Track				
lomestead	115	130	94	42
oe Robbie Stadium				
ermanent Center	769	1,005	1,538	1,656
otal Participants	1,272	1,840	2,393	2,265
POUNDS COLLECTED				
lorida International University - North			15,791	6,711
fiami Dade Community College - North	2,869	4,533		
fiami Dade Community College - South	27,959	29,844	99,418	21,941
outh Dade Government Center				
Biscayne Greyhound Track				
lomestead	18,628	8,513	11,726	6,698
oe Robbie Stadium				
lomestead				
Permanent Center **	380,196	380,228	394,389	264,360
otal Pounds Collected	429,652	423,118	521,324	299,710
OTAL VENDOR DISPOSAL COST				
lorida International University - North			\$13,746	\$13,861
liami Dade Community College - North	\$14,494	\$12,887		
liami Dade Community College - South	\$36,391	\$35,789	\$36,399	\$25,881
outh Dade Government Center				
siscayne Greyhound Track				
omestead	\$19,846	\$15,067	\$14,851	\$12,425
pe Robbie Stadium				
ermanent Center	\$98,923	\$216,912	\$133,050	\$129,824
otal Cost	\$169,654	\$280,655	\$198,046	\$181,991
verage Cost Per Pound	\$0.39	\$0.66	\$0.38	\$0.61
Average Cost Per Participant	\$133	\$153	\$83	\$80

Area specific programs were discontinued in fiscal year 1995 in favor of a permanent drop-off site.

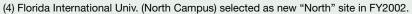
\*\* Includes used oil dropped off at T & R Centers

<sup>(1)</sup> Reinstated mobile events for unincorporated areas in 1999.

<sup>(2)</sup> Permanent Center includes used oil collection.

<sup>(3)</sup> Conversion for used oil is 8 pounds per gallon.

FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
00	400				
98	123				
298	227				
73		32	39	2	
1,738	2,170	2,317	3,001	3,092	3,864
2,207	2,520	2,349	3,040	3,094	3,864
7,916	12,601				
13,484	23,335				
10, 10 1	20,000				
8,629		1,974	3,218	700	
224,015	277,722	279,493	370,052	345,346	323,708
254,044	313,658	281,467	373,270	346,046	323,708
\$15,256	\$14,383				
\$18,599	\$23,170				
\$11,567		\$9,682	\$10,794	\$7,822	
\$170,039	\$210,654	\$128,542	\$217,778	\$235,111	\$160,932
\$215,461	\$248,207	\$138,224	\$228,572	\$242,933	\$160,932
\$0.85	\$0.79	\$0.49	\$0.61	\$0.70	\$0.50
\$98	\$98	\$59	\$75	\$79	\$42



<sup>(5)</sup> This table excludes figures for latex paint and e-waste.

<sup>(6)</sup> Heavy rains all day during Spring Event (FIU & MDCC South).

# TABLE IX Demographic and Economic Indicators (Unaudited)

Selected years 2000-2009

	FY 2000	FY 2001	FY 2002	FY 2003
Population	2,253,485	2,283,319	2,313,047	2,342,739
Increase/(Decrease)	31,855	29,834	29,728	29,692
Annual percentage change	1.4%	1.3%	1.3%	1.3%
Personal Income (in \$000's)	\$57,922,341	\$60,401,717	\$62,664,565	\$64,630,566
Per Capita Personal Income	\$25,626	\$26,414	\$27,074	\$27,670
Unemployment Rate	5.1%	6.1%	6.6%	5.9%

N/A - Information is not available as of 3/31/2010.

Source: U.S. Department of Commerce, Economics and Statistics Administration,
Bureau of Economic Analysis/Regional Economic Information System.
Florida Agency for Workforce Innovation, Labor Market Statistics.
U.S. Census Bureau, 2000 Census Population, and 2001 to 2005 American Community Survey.
Miami-Dade County, Department of Planning and Zoning, Research Section.

#### **PRINCIPAL EMPLOYERS**

Current Year

		2009	
Employer	Employees	Rank	Porcentage of Total County Employment (1)
Miami-Dade County Public Schools	38,819	1	3.18%
Miami-Dade County	29,000	2	2.38%
U.S. Federal Government	19,900	3	1.63%
Florida State Government	16,100	4	1.32%
Jackson Health System	12,468	5	1.02%
University of Miami	12,000	6	0.98%
Baptist Health South Florida	12,000	7	0.98%
Publix Super Markets	11,625	8	0.95%
American Airlines	9,000	9	0.74%
Florida International University	8,000	10	0.66%
UM Health	7,025	11	0.58%
Miami-Dade College	5,798	12	0.48%
United Parcel Service	4,982	13	0.41%
City of Miami	4,400	14	0.36%
Bellsouth/AT&T	4,100	15	0.34%
	195,217		16.02%

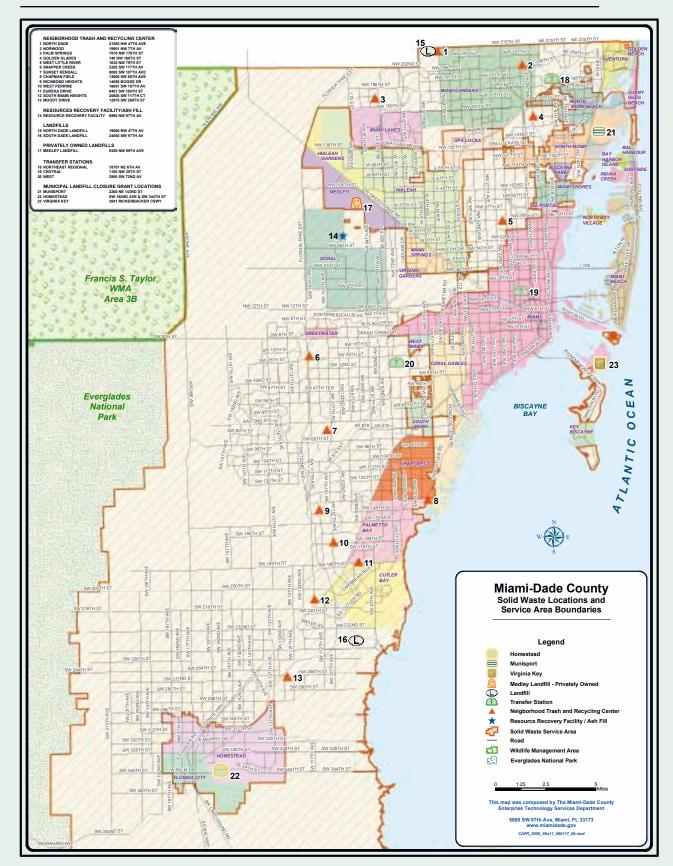
Source: The Beacon Council, Miami, Florida, Miami Business Profile

<sup>(1)</sup> Based on 2009 Civilian Labor Force of 1,218,871.

FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
2,372,418	2,402,105	2,431,819	2,461,577	2,499,701	2,531,769
29,679	29,687	29,714	29,758	38,124	32,068
1.3%	1.3%	1.2%	1.2%	1.5%	1.3%
\$68,582,602	\$74,533,598	\$80,112,340	\$85,978,571	N/A	N/A
\$29,076	\$31,447	\$32,943	\$34,928	N/A	N/A
5.4%	4.3%	3.9%	3.5%	N/A	N/A



TABLE X
Solid Waste Locations and Service Area Boundaries



#### TABLE XI

### Insurance in Force (Unaudited)

Type of Coverage and Insurance Company	Policy Period	Details of Coverage	Limit of Liability
Public Employees Blanket Bond:			
Crime Policy:			
Fidelity & Deposit Co. of Maryland	8/19/09-8/19/10	Employees Dishonesty	\$1,000,000 blanket bond \$ 50,000 deductible
Accidental Death:			
Hartford Life Insurance Company	8/29/09-8/29/10	Accidental Death and Dismemberment	\$ 25,000
Property Insurance:			
Various companies	5/03/09-5/03/10	Real & Personal Property	various
Automobile Liability:	Continuous	Self-insured fund	\$ 100,000 per person \$ 200,000 per occurrence pursuant to F.S. 768.28
General Liability:	Continuous	Self-insured fund	\$ 100,000 per person \$ 200,000 per occurrence pursuant to F.S. 768.28
Workers' Compensation	Continuous	Self-insured fund	Statutory coverage F.S. 440

#### **TABLE XII**

# Schedule of Debt Service Coverage and Outstanding Debt Ratio (Unaudited)

Last Ten Years (in thousands)

	FY 2000	FY 2001	FY 2002	FY 2003
FIRST TIER TEST				
Adjusted net operating revenues (1)/(1a)	\$35,417	\$38,008	\$23,555	\$26,054
Debt service requirements (1b) (6)	\$15,932	\$17,140	\$17,987	\$18,018
Actual Coverage (4)	2.22	2.22	1.31	1.45
Required coverage	1.20	1.20	1.20	1.20
SECOND TIER TEST				
Adjusted net revenues	(5)	(5)	(5)	(5)
County pledged revenue (2)	(5)	(5)	(5)	(5)
Guaranteed Entitlement (3)				
Total Revenues	(5)	(5)	(5)	(5)
Debt service requirements (5)	(5)	(5)	(5)	(5)
Actual coverage (4)	(5)	(5)	(5)	(5)
Required coverage	(5)	(5)	(5)	(5)
Refunding Bonds Balance, Net	\$87,106	\$81,912	\$75,656	\$69,092
Equivalent Revenue Tons	1,781	1,683	1,812	1,860
Outstanding Debt Ratio	48.9	48.7	41.8	37.1
Bond Anticipation Notes, Net	\$0	\$0	\$0	\$0
Equivalent Revenue Tons	1,781	1,683	1,812	1,860
Outstanding Debt Ratio	0.0	0.0	0.0	0.0
	<u> </u>		<u> </u>	
Revenue Bonds Balance, Net	\$58,460	\$96,645	\$94,533	\$92,335
Equivalent Revenue Tons	1,781	1,683	1,812	1,860
Outstanding Debt Ratio	32.8	57.4	52.2	49.6
Capital Asset Acquision Bonds, Net (7)	\$0	\$0	\$23,120	\$22,740
House Hold Units	277	283	288	293
Outstanding Debt Ratio	0.0	0.0	80.3	77.6
Sunshine State Loans, Net	\$0	\$0	\$0	\$0
House Hold Units	277	283	288	293
Outstanding Debt Ratio	0.0	0.0	0.0	0.0

- (1) Adjusted net operating revenues include: Operating revenues plus intergovernmental revenue used in the calculation of debt service coverage, less operating expenses (prior to depreciation and expense for assumption of liability of closure and postclosure care costs for inactive landfills) plus certain interest income defined as revenues by debt instruments. UMSA funds were included through fiscal year 1995 and resumed in fiscal year 1999. Gross contributions reflected in fiscal years 2002 and 2001 Statements of Revenues and Expenses in accordance with GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions (see footnote 6 to the financial statements), have been excluded from this calculation. Fiscal year 2001 operating expenses (before depreciation and closure & postclosure care costs for inactive landfills) include an amortization credit of \$8.1 million in closure & postclosure care costs for active landfills (see footnote 10 to the financial statements).
- (1a) Fiscal year 2003 adjusted net operating revenues figure herein includes \$4.7M from rate stabilization (representing 20% of adjusted NOR FY2002 reported above which includes \$7.6 M from rate stabilization). Fiscal year 2002 adjusted net operating revenues figure herein includes \$7.6M from rate stabilization (representing 20% of adjusted NOR FY2001 reported above).
- (1b) Figures for debt service requirements are reflected on an accrual basis herein while the figures on the footnotes to the financial statements represent future requirements on a cash/maturity basis.

<sup>\*</sup>In this presentation all debt figures are reflected net of unamortized premium/discount/deferred charges for the corresponding period being reported.

FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
\$32,869	\$44,766	\$60,949	\$68,117	\$36,067	\$36,526
\$18,026	\$18,966	\$20,092	\$20,115	\$20,084	\$20,098
1.82	2.36	3.03	3.39	1.80	1.82
1.20	1.20	1.20	1.20	1.20	1.20
(5)	(5)	(5)	(5)	(5)	(5)
(5)	(5)	(5)	(5)	(5)	(5)
(5)	(5)	(5)	(5)	(5)	(5)
(5)	(5)	(5)	(5)	(5)	(5)
(5)	(5)	(5)	(5)	(5)	(5)
(5)	(5)	(5)	(5)	(5)	(5)
\$62,176	\$54,866	\$47,105	\$38,840	\$30,034	\$20,704
1,795	2,030	2,574	1,961	1,791	1,594
34.6	27.0	18.3	19.8	16.8	13.0
\$0	\$0	\$0	\$0	\$0	\$0
1,795	2,030	2,574	1,961	1,791	1,594
0.0	0.0	0.0	0.0	0.0	0.0
	•	•		•	
\$90,048	\$163,670	\$163,375	\$162,366	\$161,313	\$160,225
1,795	2,030	2,574	1,961	1,791	1,594
50.2	80.6	63.5	82.8	90.1	100.5
\$23,737	\$21,657	\$19,283	\$16,865	\$14,394	\$11,856
300	307	315	319	323	323
79.1	70.5	61.2	52.9	44.6	36.7
\$0	\$10,289	\$11,313	\$10,116	\$8,911	\$7,698
300	307	315	319	323	323
0.0	33.5	35.9	31.7	27.6	23.8
					-

<sup>(2)</sup> Pledged revenues include occupational licenses fees, beverages licenses fees, licenses plate fees, and auto title fees. These revenues are pledged by Miami-Dade County.

<sup>(3)</sup> Represents the County's additional pledge of 10% of the available Guaranteed Entitlement funds.

<sup>(4)</sup> The Department did not achieve coverage requirements for fiscal year 1996, due to recording of expenses related to future closure and postclosure care costs for inactive landfill responsibilities assumed by the Department in 1996. In January 1997, all debt constituting "Debt Service Requirements" above was refunded (see footnote 4 to the financial statements). If the fiscal year 2001 amortization credit of \$8.1million in closure & postclosure care costs for active landfills was excluded from the calculation herein (see footnote (1) above), debt service coverage would change from 2.22 to 1.74.

<sup>(5)</sup> During fiscal year 1997 the Department refunded all senior lien direct obligation debt. New coverage requirements on the refunding bonds has only one coverage test of 1.2 times the current year's annual debt service requirement.

<sup>(6)</sup> The debt service requirement herein does not include any amount associated with accretion for Capital Appreciation Bonds portion of Series 2005.

#### **TABLE XIII**

## Schedule of Major Contracts and Agreements - Operating (Unaudited)

	Fees/Rates Effective October 1,		<b>Expenses Recorded</b>		(in millions)	
	2007	2008	2009	FY 2007	FY 2008	FY 2009
Agreement for the management and operation of the County-owned Resources Recovery Facility:						
<ul> <li>Pursuant to the amendment adopted by the Board of County Commissioners on August 2, 2004, the contract with the Operator has been extended through 2023, with four five year options to renew. Prior to the amendment, the contract was due to expire in 2013.</li> </ul>						
• The County guarantees up to 1,206,000 tons annually, if available:						
On-site waste: 936,000 tons (a)						
RTI: 270,000 tons						
(a) Depending on the amount of garbage & trash available to the County.						
• As part of the amendment, beginning in fiscal year 2005, the Operator may request additional (1) on-site waste (25,000 tons per year increasing gradually to 100,000 tons maximum in FY 2010).						
• Tipping Fees (main categories) /rates per ton:						
On-site waste up to 702,000 tons.	\$34.87	\$36.61	\$36.21 (2)			
On-site waste in excess of 702,000 (702,001 tons - 936,000 tons)	\$28.26	\$29.67	\$29.34 (2)			
On-site waste in excess of 936,000, (936,001 tons - 1,021,000 tons)*	\$18.34	\$19.25	\$19.04 (2)			
* Beginning October 1, 2009 waste in excess will increase by 85,000 to 1,021,000						
Scrubbers	\$8.47	\$8.89	\$8.79 (2)			
RTI	\$29.97	\$31.47	\$31.12 (2)			
(2) See rate change reflected in subsequent event footnote in FYE 2009						
Fee increases limited to CPI, change-in-law and contract-renegotiation.						
• Expenses recorded for Capital Tipping Fees and Oper. & Management Tipping Fees				\$52.7	\$56.1	\$57.7
Agreement with Waste Management Inc. of Florida for waste delivery to the Waste Management Landfill located in Medley, Florida:						
• Twenty year term contract which ends in 2015, with 2 additional 5-year renewal options.						
• The County to deliver between 100,000 and 120,000 tons per year.						
• Guaranteed capacity to the County up to 500,000 per tons per year (including alternate landfill).						
• Fees/rates per ton billed to the County:						
First 100,000 tons delivered.	\$31.04	\$32.59	\$32.13			
First 20,000 tons delivered in excess of 100,000.	\$25.35	\$26.62	\$26.25			
First 20,000 tons delivered in excess of 120,000.	\$24.06	\$25.26	\$24.91			
Fee increases limited to CPI and change-in-law.						
<ul> <li>County receives surcharge for all non-DSWM waste delivered to Medley.</li> </ul>						
Expenses recorded				\$5.0	\$5.5	\$4.1
Con annual in a independent of disale years						

Fees/Rates Effective October 1, Expenses Recorded (in millions)
2007 2008 2009 FY 2007 FY 2008 FY 2009

## Agreement with Waste Services, Inc. ("WSI") and World Waste Services, Inc.

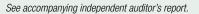
- In March 2008, the County entered into agreements for curbside collection and hauling of recyclable items with Waste Services of Florida, Inc. and World Waste Services, Inc. Under the new program, residential curbside recycling was converted from dual stream to single stream collection.
- In February 2007, the County received notice of the upcoming transaction in March 2007 between Waste Services, Inc. ("WSI") and Allied Waste South Florida for the acquisition of Allied Waste South Florida operations, consisting of Browning-Ferris Industries ("BFI"). In March 2007, the County consented the assignment of all rights and obligations under the Curbside Collection Service of Recyclable Materials Contract from BFI / Allied Waste South Florida to Waste Services, Inc.
- Contract as amended on 10/95 ended in 2006.
  The County and the Contractor agreed on a
  month to month extension from June 2006
  through December 2006. In January 2007 the
  County and the contractor agreed on a six month
  extension. The County reserved the right to renew
  for six additional one month periods. In June
  2007 the County exercised the right to renew for
  six additional one month periods. The one month
  period extensions ended December 31, 2008.
- Fees/rates per ton billed to the County.
   Fee increases limited to CPI

Single stream contracts

World Waste Services, Inc. (* Effective March 11, 2008 for fiscal year 2008)	\$1.920*	\$1.950*	\$1.920
Waste Services of Florida Inc. (* Effective March 11, 2008 for fiscal year 2008)	\$1.965*	\$1.999*	\$1.970
Dual stream contract	\$2.99	\$3.08	

• Expenses recorded \$11.3 \$12.1 \$8.5

(1) FY 2008 figure has been corrected to actual in FY 2009 CAFR



#### **TABLE XIV**

## Schedule of Major Disposal Delivery Agreements (Unaudited)

	Fees/Rates Effective Oct		October 1,
	2007	2008	2009
Interlocal (long-term disposal delivery) agreements with 18 municipalities in the County:			
* 20-year term contracts, which end in 2015 (except West Miami, Homestead and North Miami).			
* The County guarantees to meet level-of-service standard for disposal capacity (concurrency).			
* Municipalities agree to deliver all tonnage collected and to direct contracted/ franchise haulers.			
* Tipping Fees/rates per ton:	\$57.56	\$60.43	\$59.77
Transfer Fees/rates per ton:	\$11.34	\$11.90	\$11.77
Fee increases limited by CPI and change-in-law.			
Long-term contract to provide disposal services to Waste Services, Inc. ("WSI"):			
In February 2007, the County received notice of the upcoming transaction in March 2007 between Waste Services, Inc. ("WSI") and Allied Waste South Florida for the acquisition of Allied Waste South Florida operations, consisting of Browning-Ferris Industries ("BFI"). In March 2007, the County consented the assignment of all rights and obligations under the Commitment to use the County Solid Waste Management System for Municipal Solid Waste Disposal Contract.			
* Pursuant to amendment adopted by the Board of County Commissioners on July 26, 2001, the contract term is through 2015, with two 5-year mutual options to renew. Prior to the amendment, 20-year term contract to 2015, with 10-year termination provision in 2005.			
* In consideration for the term extension, 220,000 tons per year delivery requirement (plus additional 10,000 tons per year for 5 consecutive years, beginning October 1, 2001). Prior to the amendment, 300,000 tons per year delivery requirement or all tons collected.			
* Hauler will deliver at least 75,000 tons of its commitment to County transfer stations at additional transfer fee per ton. Prior to the amendment this requirement was for 100,000 tons.			
* Tipping Fees/rates per ton:	\$57.56	\$60.43	\$59.77
Transfer Fees/rates per ton:	\$11.34	\$11.90	\$11.77
Fee increases limited by CPI and change-in-law.			
Long-term contract to provide disposal services to Waste Management:			
* 20-year term contract to 2015, with two 5-year mutual options to renew.			
* 91,000 tons per year delivery requirement or all tons collected. (88,400 tons if County delivers less than 120,000 tons annualy to Medley Landfill (see Table 13 in this report)).			
* Tipping Fees/rates per ton:	\$57.56	\$60.43	\$59.77
Transfer Fees/rates per ton:	\$11.34	\$11.90	\$11.77
Fee increases limited by CPI and change-in-law.			
,			

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TABLE XV
Operating Information (Unaudited)

Last Ten Years

Number of Employees:   Disposal System   260   259   263   263   260   259   263   263   260   259   263   263   260   259   263   263   260   259   263   263   260   259   263   263   265		FY 2000	FY 2001	FY 2002
Disposal System         260         259         263           Collection System         830         847         858           1,090         1,106         1,121           Operating Indicators:           Disposal System:           Equivalent Revenue Tons         1,780,841         1,682,946         1,812,306           Collection System:           Residential:         277,377         282,593         287,926           Commercial Units         277,377         282,593         287,926           Commercial Number of Units         3,853         3,827         3,667           Commercial Average Annual Number of Units         1,090         1,021         977           Capital Assets Information:           Capital Assets Information:           Disposal System:         3         3         3           Active Landfills         3         3         3           Transfer Stations         3         3         3           Waste-to-Energy Plant         1         1         1         1           Collection System:         1         1         1         1           Division Sites         3         3         3	Number of Employees:			
Collection System         830         847         858           1,090         1,106         1,121           Operating Indicators:           Disposal System:           Equivalent Revenue Tons         1,780,841         1,682,946         1,812,306           Collection System:           Residential:         277,377         282,593         287,926           Commercial Units:         277,377         282,593         287,926           Commercial Units:         3,853         3,827         3,667           Commercial Average Annual Number of Units         1,090         1,021         977           Capital Assets Information:         1,090         1,021         977           Capital Assets Information:         3         3         3           Disposal System:         3         3         3         3           Active Landfills         3         3         3         3           Transfer Stations         3         3         3         3           Waste-to-Energy Plant         1         1         1         1           Collection System:         1         1         1         1         1         1         1         1	• •	260	259	263
1,090	•	830	847	858
Disposal System:           Equivalent Revenue Tons         1,780,841         1,682,946         1,812,306           Collection System:           Residential:         277,377         282,593         287,926           Average Annual Number of Units:         4         277,377         282,593         287,926           Commercial Units:         3,853         3,827         3,667           Commercial Average Annual         1,090         1,021         977           Capital Assets Information:         1,090         1,021         977           Capital Assets Information:         3         3         3           Transfer Stations         3         3         3           Waste-to-Energy Plant         1         1         1           Collection System:         1         1         1         1           Division Sites         3         3         3         3         3		1,090	1,106	
Disposal System:           Equivalent Revenue Tons         1,780,841         1,682,946         1,812,306           Collection System:           Residential:         277,377         282,593         287,926           Average Annual Number of Units:         4         277,377         282,593         287,926           Commercial Units:         3,853         3,827         3,667           Commercial Average Annual         1,090         1,021         977           Capital Assets Information:         1,090         1,021         977           Capital Assets Information:         3         3         3           Transfer Stations         3         3         3           Waste-to-Energy Plant         1         1         1           Collection System:         1         1         1         1           Division Sites         3         3         3         3         3	Operating Indicators:			
Equivalent Revenue Tons         1,780,841         1,682,946         1,812,306           Collection System:           Residential:         Average Annual Number of Units         277,377         282,593         287,926           Commercial Units:         Household/Commercial Average           Annual Number of Units         3,853         3,827         3,667           Commercial Average Annual Number of Units         1,090         1,021         977           Capital Assets Information:         Disposal System:           Active Landfills         3         3         3           Transfer Stations         3         3         3           Waste-to-Energy Plant         1         1         1           Collection System:         Division Sites         3         3         3				
Collection System:         Residential:       277,377       282,593       287,926         Average Annual Number of Units:       3,853       3,827       3,667         Commercial Average Annual Number of Units       3,853       3,827       3,667         Commercial Average Annual Number of Units       1,090       1,021       977         Capital Assets Information:       Disposal System:       3       3       3         Active Landfills       3       3       3       3         Transfer Stations       3       3       3       3         Waste-to-Energy Plant       1       1       1       1         Collection System:       Division Sites       3       3       3       3	•	1,780,841	1,682,946	1,812,306
Average Annual Number of Units 277,377 282,593 287,926  Commercial Units:  Household/Commercial Average  Annual Number of Units 3,853 3,827 3,667  Commercial Average Annual  Number of Units 1,090 1,021 977  Capital Assets Information:  Disposal System:  Active Landfills 3 3 3 3  Transfer Stations 3 3 3  Waste-to-Energy Plant 1 1 1  Collection System:  Division Sites 3 3 3 3	•	<del></del>	<del></del>	<del></del> _
Commercial Units:   Household/Commercial Average   Annual Number of Units   3,853   3,827   3,667	Residential:			
Household/Commercial Average	Average Annual Number of Units	277,377	282,593	287,926
Annual Number of Units       3,853       3,827       3,667         Commercial Average Annual Number of Units       1,090       1,021       977         Capital Assets Information:         Disposal System:         Active Landfills       3       3       3         Transfer Stations       3       3       3         Waste-to-Energy Plant       1       1       1         Collection System:       Division Sites       3       3       3	Commercial Units:	<del></del>		
Annual Number of Units       3,853       3,827       3,667         Commercial Average Annual Number of Units       1,090       1,021       977         Capital Assets Information:         Disposal System:         Active Landfills       3       3       3         Transfer Stations       3       3       3         Waste-to-Energy Plant       1       1       1         Collection System:       Division Sites       3       3       3	Household/Commercial Average			
Number of Units         1,090         1,021         977           Capital Assets Information:           Disposal System:           Active Landfills         3         3         3           Transfer Stations         3         3         3           Waste-to-Energy Plant         1         1         1           Collection System:         Division Sites         3         3         3		3,853	3,827	3,667
Capital Assets Information:         Disposal System:         Active Landfills       3       3       3         Transfer Stations       3       3       3         Waste-to-Energy Plant       1       1       1       1         Collection System:       0       3       3       3       3         Division Sites       3       3       3       3       3	Commercial Average Annual			
Disposal System:         Active Landfills       3       3       3         Transfer Stations       3       3       3         Waste-to-Energy Plant       1       1       1         Collection System:       3       3       3         Division Sites       3       3       3	Number of Units	1,090	1,021	977
Active Landfills       3       3       3         Transfer Stations       3       3       3         Waste-to-Energy Plant       1       1       1         Collection System:         Division Sites       3       3       3	Capital Assets Information:			
Transfer Stations       3       3       3         Waste-to-Energy Plant       1       1       1         Collection System:         Division Sites       3       3       3	Disposal System:			
Waste-to-Energy Plant 1 1 1  Collection System: Division Sites 3 3 3 3	Active Landfills	3	3	3
Collection System: Division Sites 3 3 3	Transfer Stations	3	3	3
Division Sites 3 3 3	Waste-to-Energy Plant	1	1	1
	Collection System:			
Trash and Recycling Centers TRCs 14 14 14	Division Sites	3	3	3
	Trash and Recycling Centers TRCs	14	14	14

FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
263	257	311	315	302	307	318
857	843	745	699	681	645	639
1,120	1,100	1,056	1,014	983	952	957
1,859,860	1,794,638	2,029,552	2,574,040	1,960,985	1,791,122	1,593,673
293,410	299,747	306,713	314,647	318,972	322,534	323,471
3,685	3,673	3,685	3,732	3,715	3,758	3,782
916	880	870	880	888	915	992
3	3	3	3	3	3	3
3	3	3	3	3	3	3
1	1	1	1	1	1	1
3	3	3	3	3	3	3
14	14	13	13	13	13	13



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